



# COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR



KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 437  
LOS ANGELES, CA 90012

**MARK J. SALADINO**  
TREASURER AND TAX COLLECTOR

TELEPHONE  
(213) 974-2101

TELECOPIER  
(213) 626-1812

November 23, 2005

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

## **RECOMMENDATION TO AWARD CONTRACT FOR DELINQUENT ACCOUNT COLLECTION SERVICES (ALL DISTRICTS)(4 VOTES)**

### **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Chair to sign the attached Contract (Exhibit 1) with Lineberger Goggan Blair & Sampson, LLP (Lineberger Goggan), to provide delinquent account collection services to the Treasurer and Tax Collector (TTC) on a contingency fee basis of twenty five percent (25%) commission on Gross Collections, for a term of three (3) years commencing upon the date of Board of Supervisors' approval;
2. Delegate authority to the Treasurer and Tax Collector to execute future amendments to extend the Contract for a maximum of two (2) one-year renewals and six (6) month-to-month extensions at the option of the TTC in accordance with the Term of the Contract;
3. Delegate authority to the Treasurer and Tax Collector to make amendments to the Statement of Work for any augmentation to collection efforts and/or any new collection methodologies as may be mandatory or deemed in the best interest of the County and negotiate a supplemental commission rate not greater than the Contract Commission Rate; and
4. Delegate authority to the Treasurer and Tax Collector to execute future amendments to modify the terms of the Statement of Work that do not materially alter the Contract, and/or to add and/or change certain terms and conditions in the Contract as required by the Board of Supervisors or Chief Administrative Officer provided County Counsel approval is obtained prior to execution of such amendments.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The Treasurer and Tax Collector (TTC) currently contracts with USCB, Inc (USCB), a private agency, to provide delinquent account collection services which expires on January 31, 2006. The proposed Contract with Linebarger Goggan will ensure continuation of the delinquent account collection service needs of the TTC. The recommended Contract will commence upon your Board's approval and provide for a transition period between contractors, allowing Linebarger Goggan to initiate the operational process for referral of accounts and allow TTC to effectively wind down operations with USCB.

### **Implementation of Strategic Plan Goals**

The approval of this Contract is consistent with the County's Strategic Plan Goal of Organizational Effectiveness and Fiscal Responsibility. The recommended Contract provides for ongoing delinquent account collection services.

### **FISCAL IMPACT/FINANCING**

The recommended firm provides delinquent account collection services to supplement TTC's current collection efforts on a variety of accounts from other County departments. The County benefits from collection revenue it might not fully realize without the Contract. The firm is compensated with a contingency fee of twenty five percent (25%) of actual gross collections. There will be no cost to the County since delinquent account collection services are commission based actual collections.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

California Government Code Section 26220 allows the County, by a four-fifths (4/5) vote of its Board of Supervisors, to enter into a contract with a collection agency for the collection of delinquent accounts. Delinquent account collection services have been contracted out since 1979 to supplement in-house collection efforts to TTC.

The Contract contains the County's required provisions, including the requirement for the Contractor to notify and assist its employees with the Federal Earned Income Tax Credit application process, the consideration of qualified GAIN/GROW participants for employment openings, compliance with the Jury Duty Ordinance, Safely Surrender Baby Law, and Contractor notification to County when Contract is within six (6) months from expiration of term.

The recommended Contract with Linebarger Goggan is for a term of three (3) years with two (2) one-year and six (6) month-to-month extensions, for a maximum term of five (5) years and six (6) months. The Contractor is in compliance with all Board, Chief Administrative Office and County Counsel requirements.

The Contract expressly provides that the County has no obligation to pay for expenditures by Linebarger Goggan that exceed the maximum Contract Commission Rate.

Further, Linebarger Goggan will not be asked to perform services that exceed the Contract Commission Rate, scope of work, or Contract dates of the Contract. Additionally, the Contract contains performance standards, including liquidated damages for substandard and/or non-performance.

The attached Contract with Linebarger Goggan has been reviewed and approved as to form by County Counsel.

### **CONTRACTING PROCESS**

TTC released a Request for Proposals (RFP) on October 3, 2005 to forty-seven (47) prospective proposers. The prospective proposers are listed in Attachment I, which consists of TTC's proposers list, vendors from the County's Office of Affirmative Action Compliance Community Business Enterprise Database, and Los Angeles County's online website of vendors, by commodity. A notice of the RFP was posted on the Los Angeles County Bid Website. In addition, the RFP was transmitted to the ACA International, Association of Credit and Collection Professionals, and the California Association of Collectors (CAC). A Mandatory Proposer's Conference was held at the Kenneth Hahn Hall of Administration on Thursday, October 13, 2005, with twenty (20) firms attending. The proposal submission due date was Monday, October 31, 2005. Two firms responded with proposals by the due date: Linebarger Goggan Blair & Sampson, LLP (Linebarger Goggan), and USCB, Inc. (USCB), and two (2) proposals were submitted after the submission deadline and were returned unopened. The two accepted proposals were evaluated and rated by a committee according to their responsiveness to criteria included in the RFP.

The proposal submitted by Linebarger Goggan was the highest ranked of the proposals evaluated, proposed the lowest commission rate, and was the most responsive and responsible Proposer. Linebarger Goggan met all of the minimum RFP requirements and was complete, detailed, and responsive to the RFP. The proposal clearly demonstrated that Linebarger Goggan has a good understanding of the scope of work to be performed and the complexity of TTC's service requirements. As required by TTC, the proposal submitted by Linebarger Goggan provided a description of Linebarger Goggan's qualifications, their proposed approach to provide services, a quality control plan and internal control plan. Linebarger Goggan has verifiable experience providing delinquent account collection services.

Minority, Women, Disadvantaged or Disabled Veteran Business Enterprise statistical information for Linebarger Goggan and the USCB is included in Attachment II. Linebarger Goggan is not a certified Small Business Enterprise (SBE)/Community Based Enterprise (CBE). The recommendation of Linebarger Goggan is made without regard to race, creed or color. There are no provisions for Cost Of Living Adjustment (COLA) in the attached Contract. This is not a Proposition A Contract; and therefore, is exempt from the Living Wage Program (County Code Chapter 2.201).

### **IMPACT ON CURRENT SERVICES**

The current Contract for delinquent account collection services expires on the date of January 31, 2006. The recommended Contract will enable the Contractor to continue the provision of delinquent account collection services for the TTC.

### **CONCLUSION**

Instruct the Executive Officer/Clerk of the Board to return two (2) signed originals of the Contract and one (1) adopted Board letter to TTC.

Respectfully submitted,



MARK J. SALADINO  
Treasurer and Tax Collector

MJS:EVT:evt  
DAC Board Letter 11-18-05

Attachments (2)

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors

**ATTACHMENT 1**

AAA Credit Service Coll. Agency  
Tonya Bailey  
520 N. Brookhurst, Suite 204  
Anaheim, CA 92801

Accelerated Resource Mgmt.  
Andrea Bez  
2500 Viva Cabrillo Marina Suite  
307  
San Pedro, CA 90731

Allied Interstate, Inc.  
Fred Lindquist  
435 Ford Rd, Ste# 800  
Minneapolis, MN 55426

American Bureau of Credit Control  
Wayne Winter  
P.O. Box 5321  
Diamond Bar, CA 91765

Ascension Recovery Management,  
LLC  
Dean Richardson  
28110 N. Avenue Stanford, Ste C  
Valencia, CA 91355

Caine and Weiner Co., Inc.  
Lou Wills  
P.O. Box 8500  
Van Nuys, CA 91409-8500

Calif. Business Bureau, Inc.  
Kris Richens  
1711 S. Mountain Ave.  
Monrovia, CA 91016

CDR Financial Services, LLC  
Julie Larkins  
110 Pine Avenue, Suite 710  
Long Beach, CA 9080

CFCA  
Sonia Engilman  
17750 Sherman Way, Suite 100  
Reseda, CA 91335

Council Collect/Law Offices of  
Diana Fields  
638 Lindero Cyn. Rd. 433  
Oak Park, CA 91377

CIR, Law Offices  
Jeff Wishneski  
8031 Linda Vista Road  
San Diego, CA 92111

California Association of Collectors  
Jan P. Stieger  
P.O. Box 254490  
Sacramento, CA 95865

Cal Coast Data Entry  
Stephanie Bennett  
11090 Artesia Blvd., Ste D  
Cerritos, CA 90703

Daley Technology Systems  
Thomas E. Daley  
230 N. Glendora Ave.,  
Covina, CA 91724

Data Center of Arizona  
Nelson Brooks  
2801 N. 33<sup>rd</sup> Ave., Ste 1  
Phoenix, AZ 85009

Equity Collection Services  
David Lethers  
31192 La Baya Dr., Ste# B  
Westlake Village, CA 91362

Fidelity Creditor Service, Inc.  
Walter H. Carleton  
216 S. Louise St.  
Glendale, CA 91205

Fidelity Information Corporation  
Robbie Cronrod  
17383 Sunset Blvd., Ste# A-370  
Pacific Palisades, CA 90272

GC Services Limited Partnership  
Karen Summers Murray  
6330 Gulfton  
Houston, TX 77081

Gess and Associates  
Clint Sallee  
P.O. Box 3437  
Canoga Park, CA 91396

Integrated Credit Solutions  
Tom Rossebo  
18350 Mt. Langley, # 204  
Fountain Valley, CA 92708

Linebarger, Goggan, Blair &  
Sampson, LLP  
515 S. Flower St., Ste 3500  
Los Angeles, CA 90071

Los Angeles Collection Services  
Inc.  
Richard Hoffman  
2140 Westwood B.vd, Ste# 224  
Los Angeles, CA 90025

Managed Healthcare Unlimited  
Inc.  
Rose Leidl  
110 Pine Ave. Suite 260  
Long Beach, CA 90802

Metropolitan Adjustment Bureau,  
Inc.  
John Kutasi  
22212 Ventura Bl., Suite 200  
Woodland Hills, CA 91364

MBIA Muniservices Co.  
Doug Kitchen  
32107 W. Lindero Cyn. Rd., #233  
Westlake Village, CA 91361

OSI Collection Services, Inc.  
Jeff Smith  
2920 Prospect Park Dr., #200  
Rancho Cordova, CA 95670

Progressive Asset Management  
Chris Thompson  
5924 E. Los Angeles Ave. #P  
Simi Valley, CA 93063

Reliant Recovery Service  
Virginia Chiappone  
645 West Huntington Drive  
Monrovia, CA 91016

Robinson & Associates  
Michael G. Alex  
1612 Beverly Boulevard  
Los Angeles, CA 90026

Sequoia Financial Services  
King Bechtel  
500 N. Brand Blvd., Ste# 1200  
Glendale, CA 91203

The Best Service Company  
Mark Milstein  
10780 Santa Monica Blvd., Ste  
140  
Los Angeles, CA 90025

Transworld System  
Randy Clark  
1730 W. Cameron Ave. Suite 200  
West Covina, CA 91790

Total Profit Control, Inc.  
David Barrett  
3166 E. Palmdale Blvd., Ste# 112  
Palmdale, CA 93550

USCB, Inc.  
Albert Cadena  
125 S. Vermont Ave.  
Los Angeles, CA 90004

Chris Masjedie, Esq.  
10850 Wilshire Blvd., Ste# 400  
Los Angeles, CA 90024

Sierra Receivables Management,  
Inc.  
Nannette Thomas  
P.O. Box 494070  
Redding, CA 96049

The Collection Connection  
Elaine Goldstein  
13659 Victory Blvd. PMB300  
Van Nuys, CA 91401

Transworld Systems  
Phil Adamson  
6355 Topanga Canyon Bl. Suite  
250  
Woodland Hills, CA 91367

Transworld Systems, Inc.  
Larry Eddo  
3580 Wilshire Blvd., Suite 1620  
Los Angeles, CA 90010

Union Adjustment Co.  
Lou Fratkin  
3214 W. Burbank Blvd.  
Burbank, CA 91505

GC Services Limited Partnership  
4900 Rivergrade Road, Suite C210  
Irwindale, CA 91706

STC Solutions Inc  
1100 Glendon Ave., Ste# 1250  
Los Angeles, CA 90024

Transcon Financial, Inc.  
Lorraine J. Sandoval  
2670 S. Myrtle Ave., 2<sup>nd</sup> fl.  
Monrovia, CA 91016

Transworld Systems, Inc.  
Dana Generally  
3605 N. Long Beach Blvd., Ste  
332  
Long Beach, CA 90807

Unique Management Services,  
Inc.  
Richard A. Neal, Sr.  
119 East Maple St  
Jeffersonville, IN 47130

Windhall Professionals, Inc.  
Kelly Bricault  
380 Main St.  
Salem, NH 03079

**FIRM/ORGANIZATION INFORMATION AS PROVIDED BY PROPOSERS  
DELINQUENT ACCOUNT COLLECTION SERVICES**

The following information was gathered for statistical purposes only. On final analysis and consideration of award, vendor was selected without regard to gender, race, creed or color.

FIRM INFORMATION	Linebarger Goggan Blair & Sampson, LLP		USCB, Inc.	
	% of Ownership	No.	% of Ownership	No.
<b>CULTURAL/ETHNIC COMPOSITION</b>				
<b>OWNERS/PARTNERS:</b>				
Black/African American	12%	8	-	44
Hispanic/Latin American	12%	5	-	259
Asian American	0%	1	-	6
American Indian/Alaskan	0%	0	-	0
All others	76%	48	-	47
Women (included above)	24%	19	-	128
<b>MANAGERS:</b>				
Black/African American	19		8	
Hispanic/Latin American	37		38	
Asian American	1		0	
American Indian/Alaskan	1		0	
All others	77		23	
Women (included above)	76		40	
<b>STAFF:</b>				
Black/African American	190		36	
Hispanic/Latin American	386		221	
Asian American	27		6	
American Indian/Alaskan	2		0	
All others	430		24	
Women (included above)	707		88	
<b>TOTAL NUMBER OF EMPLOYEES</b>	1232		712	
<b>BUSINESS STRUCTURE</b>	Partnership		Corporation	
<b>Certified as Minority, Woman, Disadvantaged or Disabled Veteran Business Enterprise?</b>	N/A		N/A	

## **EXHIBIT 1**



**CONTRACT**

**BY AND BETWEEN**

**COUNTY OF LOS ANGELES**

**AND**

**LINEBARGER GOGGAN BLAIR & SAMPSON, LLP**

**FOR**

**DELINQUENT ACCOUNT COLLECTION SERVICES**

**CONTRACT PROVISIONS  
TABLE OF CONTENTS**

PARAGRAPH	TITLE	PAGE
<b>RECITALS</b>		<b>1</b>
<b>1.0</b>	<b>APPLICABLE DOCUMENTS</b>	<b>2</b>
<b>2.0</b>	<b>DEFINITIONS</b>	<b>3</b>
<b>3.0</b>	<b>WORK</b>	<b>4</b>
<b>4.0</b>	<b>TERM OF CONTRACT</b>	<b>4</b>
<b>5.0</b>	<b>COMMISSION RATE</b>	<b>4</b>
<b>6.0</b>	<b>ADMINISTRATION OF CONTRACT- COUNTY</b>	<b>5</b>
6.1	COUNTY’S CONTRACT ADMINISTRATOR	5
6.2	COUNTY’S CONTRACT MANAGER	5
6.3	COUNTY’S CONTRACT MONITOR	5
<b>7.0</b>	<b>ADMINISTRATION OF CONTRACT - CONTRACTOR</b>	<b>5</b>
7.1	CONTRACTOR’S CONTRACT MANAGER	5
7.2	APPROVAL OF CONTRACTOR’S STAFF	6
7.3	BACKGROUND AND SECURITY INVESTIGATIONS	6
7.4	CONFIDENTIALITY	7
<b>8.0</b>	<b>STANDARD TERMS AND CONDITIONS</b>	<b>8</b>
8.1	ASSIGNMENT AND DELEGATION	8
8.2	AUTHORIZATION WARRANTY	8
8.3	BUDGET REDUCTIONS	8
8.4	CHANGE NOTICES AND AMENDMENTS	9
8.5	COMPLAINTS	10
8.6	COMPLIANCE WITH APPLICABLE LAW	10
8.7	COMPLIANCE WITH CIVIL RIGHTS LAWS	11
8.8	COMPLIANCE WITH THE COUNTY’S JURY SERVICE PROGRAM	11
8.9	CONFLICT OF INTEREST	13
8.10	CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST	14
8.11	CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS	14
8.12	CONTRACTOR RESPONSIBILITY AND DEBARMENT	15
8.13	CONTRACTOR’S ACKNOWLEDGEMENT OF COUNTY’S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW	16
8.14	CONTRACTOR’S WARRANTY OF ADHERENCE TO COUNTY’S CHILD	

**CONTRACT PROVISIONS  
TABLE OF CONTENTS**

<b>PARAGRAPH</b>	<b>TITLE</b>	<b>PAGE</b>
	SUPPORT COMPLIANCE PROGRAM.....	17
8.15	COUNTY’S QUALITY ASSURANCE PLAN.....	17
8.16	DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS .....	18
8.17	EMPLOYMENT ELIGIBILITY VERIFICATION.....	18
8.18	FACSIMILE REPRESENTATIONS .....	19
8.19	FAIR LABOR STANDARDS.....	19
8.20	GOVERNING LAW, JURISDICTION, AND VENUE .....	19
8.21	INDEPENDENT CONTRACTOR STATUS .....	20
8.22	INDEMNIFICATION .....	21
8.23	GENERAL INSURANCE REQUIREMENTS .....	21
8.24	INSURANCE COVERAGE REQUIREMENTS.....	24
8.25	LIQUIDATED DAMAGES.....	25
8.26	MOST FAVORED PUBLIC ENTITY .....	27
8.27	NONDISCRIMINATION AND AFFIRMATIVE ACTION.....	27
8.28	NON EXCLUSIVITY .....	29
8.29	NOTICE OF DELAYS.....	29
8.30	NOTICE OF DISPUTES .....	29
8.31	NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT.....	29
8.32	NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW .....	30
8.33	NOTICES .....	30
8.34	PROHIBITION AGAINST INDUCEMENT OR PERSUASION .....	30
8.35	PUBLIC RECORDS ACT .....	30
8.36	PUBLICITY.....	31
8.37	RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT .....	32
8.38	RECYCLED BOND PAPER .....	34
8.39	SUBCONTRACTING.....	34
8.40	TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY’S CHILD SUPPORT COMPLIANCE PROGRAM .....	35
8.41	TERMINATION FOR CONVENIENCE.....	35
8.42	TERMINATION FOR DEFAULT.....	35
8.43	TERMINATION FOR IMPROPER CONSIDERATION.....	39

**CONTRACT PROVISIONS  
TABLE OF CONTENTS**

PARAGRAPH	TITLE	PAGE
8.44	TERMINATION FOR INSOLVENCY .....	39
8.45	TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE .....	40
8.46	TERMINATION FOR NON-APPROPRIATION OF FUNDS .....	40
8.47	VALIDITY .....	41
8.48	WAIVER .....	41
8.49	WARRANTY AGAINST CONTINGENT FEES .....	41
8.50	USE OF COUNTY SEAL AND TTC'S LOGO .....	42
<b>9.0</b>	<b>UNIQUE TERMS AND CONDITIONS.....</b>	<b>42</b>
9.1	LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM ....	42
9.2	OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT .....	43
9.3	PATENT, COPYRIGHT & TRADE SECRET INDEMNIFICATION .....	44
9.4	CONTRACTOR'S OBLIGATION UNDER HIPPA .....	45
	SIGNATURES.....	46
<b>STANDARD EXHIBITS</b>		
A	STATEMENT OF WORK.....	
B	COMMISSION RATE .....	
C	TECHNICAL EXHIBITS .....	
D	CONTRACTOR'S EEO CERTIFICATION.....	
E	COUNTY'S ADMINISTRATION.....	
F	CONTRACTOR'S ADMINISTRATION.....	
<b>G</b>	<b>FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION</b>	
G1	CONTRACTOR EMPLOYEE ACKNOWLEDGMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT .....	
G2	CONTRACTOR NON-EMPLOYEE ACKNOWLEDGMENT, CONFIDENTIALITY AND COPYRIGHT ASSIGNMENT AGREEMENT .....	
H	JURY SERVICE ORDINANCE .....	
I	SAFELY SURRENDERED BABY LAW .....	
J	<b>INTENTIONALLY OMITTED</b> .....	
K	<b>INTENTIONALLY OMITTED</b> .....	
L	<b>INTENTIONALLY OMITTED</b> .....	

**CONTRACT PROVISIONS  
TABLE OF CONTENTS**

<b>PARAGRAPH</b>	<b>TITLE</b>	<b>PAGE</b>
<b>M</b>	<b>FORMS REQUIRED AT THE COMPLETION OF THE CONTRACT WHEN THE WORK INVOLVED INTELLECTUAL PROPERTY DEVELOPED/DESIGNED BY CONTRACTOR</b>	
M1	INDIVIDUAL'S ASSIGNMENT AND TRANSFER OF COPYRIGHT .....	
M2	CONTRACTOR'S ASSIGNMENT AND TRANSFER OF COPYRIGHT .....	
M3	NOTARY STATEMENT FOR ASSIGNMENT AND TRANSFER OF COPYRIGHT .....	
<b>N</b>	<b>CONTRACTOR'S OBLIGATION UNDER HIPPA.....</b>	

**CONTRACT BETWEEN  
COUNTY OF LOS ANGELES  
AND  
LINEBARGER GOGGAN BLAIR & SAMPSON, LLP  
FOR  
DELINQUENT ACCOUNT COLLECTION SERVICES**

This Contract and Exhibits made and entered into this \_\_\_ day of \_\_\_\_\_, 2005 by and between the County of Los Angeles, hereinafter referred to as County and Linebarger Goggan Blair & Sampson, LLP, hereinafter referred to as Contractor. Linebarger Goggan Blair & Sampson, LLP is located at 515 South Flower Street, Suite 3500, Los Angeles, California 90071.

**RECITALS**

WHEREAS, this Contract is therefore authorized under California Government Code Section 26220 which allows the County , by a four-fifths vote of its Board of Supervisors to enter into a contract with a collection agency for the collection of delinquent accounts; and

WHEREAS, the contractor is a private firm specializing in providing Delinquent Account Collection Services; and

WHEREAS, Contractor has submitted a proposal to the Treasurer and Tax Collector (TTC) for provision of Delinquent Account Collection Services and based upon the request of proposal process, Contractor has been selected for recommendation for award for such Contract; and

WHEREAS, the Board of Supervisors has authorized the TTC to administer this Contract; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

## 1.0 APPLICABLE DOCUMENTS

Exhibits A, B, C, D, E, F, G, H, I, J, K, L, M, and N are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits according to the following priority.

### Standard Exhibits:

- 1.1 EXHIBIT A - Statement of Work
- 1.2 EXHIBIT B - Commission Rate
- 1.3 EXHIBIT C - Technical Exhibits
- 1.4 EXHIBIT D - Contractor's EEO Certification
- 1.5 EXHIBIT E - County's Administration
- 1.6 EXHIBIT F - Contractor's Administration
- 1.7 EXHIBIT G - Forms Required at the Time of Contract Execution
- 1.8 EXHIBIT H - Jury Service Ordinance
- 1.9 EXHIBIT I - Safely Surrendered Baby Law
- 1.10 EXHIBIT J - **Intentionally Omitted**
- 1.11 EXHIBIT K - **Intentionally Omitted**
- 1.12 EXHIBIT L - **Intentionally Omitted**
- 1.13 EXHIBIT M - Forms Required at Completion of Contracts Involving  
Intellectual Property Developed/Designed by Contractor
- 1.14 EXHIBIT N- Contractor's Obligation Under HIPPA

This Contract and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Sub-paragraph 8.4 - Change Notices and Amendments and signed by both parties.

## 2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used

herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 Contract:** As used herein, the term “Contract” shall mean the agreement executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of Exhibit A - Statement of Work.
- 2.2 Contractor:** As used herein, the term “Contractor” shall mean the sole proprietor, partnership, or corporation that has entered into a contract with the County to perform or execute the work covered by the Statement of Work.
- 2.3 Contractor’s Contract Manager:** As used herein, the term “Contractor’s Contract Manager” shall have the meaning set forth in Subparagraph 7.1 (Contractor’s Contract Manager).
- 2.4 County’s Contract Administrator:** As used herein, the term “County’s Contract Administrator” shall have the meaning set forth in Subparagraph 6.1 (County’s Contractor Administrator).
- 2.5 County’s Contract Manager:** As used herein, the term “County’s Contract Manager” shall have the meaning set forth in Subparagraph 6.2 (County’s Contract Manager).
- 2.6 County Contract Monitor:** As used herein, the term “County’s Contract Monitor” shall have the meaning set forth in Subparagraph 6.3 (County’s Contract Monitor).
- 2.7 Day(s):** As used herein, the term “day(s)”, whether singular or plural, shall mean calendar day(s), unless otherwise specified.
- 2.8 Fiscal Year:** As used herein, the term “Fiscal Year” shall mean the twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.9 Gross Collections:** total dollar amount remitted by Contractor to County, thereafter, commission shall be computed upon the gross collection.

### **3.0 WORK**

- 3.1** Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in Exhibit A - Statement of Work.

- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

#### **4.0 TERM OF CONTRACT**

- 4.1 The term of this Contract shall be three (3) years commencing upon execution by County's Board of Supervisors, or unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2 The County shall have the sole option to extend the Contract term for up to two (2) additional one-year periods and six (6) month to month extensions, for a maximum total Contract term of five (5) years and six (6) months. Each such option and extension shall be exercised at the sole discretion of the Treasurer and Tax Collector.
- 4.3 Contractor shall notify TTC when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to TTC at the address herein provided in Exhibit E - County's Administration.

#### **5.0 COMMISSION RATE**

- 5.1 In accordance with the terms of this Contract, TTC will assign miscellaneous accounts, as defined in Exhibit A, Statement of Work, to Contractor for which Contractor shall retain a twenty five percent (25%) commission on Gross Collections.
- 5.2 In accordance with any Amendments to the terms of this Contract to facilitate augmented collection efforts or new collection methodologies, TTC will assign accounts to Contractor for which TTC and Contractor shall negotiate a Commission Rate not greater than the Commission Rate set forth in Paragraph 5.1 above, for which Contractor shall retain as a percent of Gross Collections.

## **6.0 ADMINISTRATION OF CONTRACT - COUNTY**

### **COUNTY ADMINISTRATION**

A listing of all County Administration referenced in the following Sub-paragraphs are designated in Exhibit E - County's Administration. The County shall notify the Contractor in writing of any change in the names or addresses shown.

#### **6.1 County's Contract Administrator**

Responsibilities of the County's Contract Administrator include:

- ensuring that the objectives of this Contract are met;
- making changes in the terms and conditions of this Contract in accordance with Sub-paragraph 8.4, Change Notices and Amendments; and
- providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.

#### **6.2 County's Contract Manager**

The responsibilities of the County's Contract Manager include:

- meeting with Contractor's Contract Manager on a regular basis; and
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of Contractor.

The County's Contract Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

#### **6.3 County's Contract Monitor**

The County's Contract Monitor is responsible for overseeing the day-to-day administration of this Contract. The Contract Monitor reports to the County's Contract Manager.

## **7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR**

### **7.1 Contractor's Contract Manager**

7.1.1 Contractor's Contract Manager is designated in Exhibit F - Contractor's Administration. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Contract Manager.

7.1.2 Contractor's Contract Manager shall be responsible for Contractor's day-to-day activities as related to this Contract and

shall coordinate with County's Contract Manager and Contract Monitor on a regular basis.

**7.2 Approval of Contractor's Staff**

County has the absolute right to approve or disapprove all of Contractor's staff performing work hereunder and any proposed changes in Contractor's staff, including, but not limited to, Contractor's Contract Manager.

**7.3 Background and Security Investigations**

7.3.1 All Contractor employees performing work under this Contract shall be required to undergo and pass, to the satisfaction of TTC, a background investigation as a condition of beginning and continuing to work under this Contract. Background investigation checks shall be performed in the manner and method required by TTC, which may include, but not limited to, Live Scan fingerprinting. Examples of disqualifying factors include, but are not limited to, bribery, robbery, theft, fraud, embezzlement, forgery, extortion and purgery, or possession, sale or attempt to sell a controlled substance, and possession, sale or attempt to sell stolen property, or any felony conviction or conviction of a misdemeanor involving moral turpitude, and job-related misdemeanor convictions. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's employees pass or fail the background clearance investigation.

7.3.2 TTC may request that Contractor's employee(s) be immediately removed from working on this Contract at any time during the term of the Contract. TTC will not provide to Contractor or to Contractor's employee(s) any information obtained through the required background clearance.

7.3.3 TTC may immediately deny or terminate facility access to Contractor's employees who do not pass such investigation(s) to the satisfaction of TTC whose background or conduct is incompatible with County facility access, at the sole discretion of the TTC.

- 7.3.4 Personnel assigned by Contractor to perform under this Contract shall at all times have on their person two forms of identification, which shall include a photo identification, indicating the person's name and identification number, e.g., California Driver License, California Identification Card, Matricular Consular or Company Identification.
- 7.3.5 Disqualification, if any, of Contractor employees, pursuant to this Subparagraph 7.3, shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.
- 7.3.6 The Contractor shall provide background investigation check updates for all employees in accordance with this Subparagraph 7.3 and when changes occur in staffing or as requested by TTC. Contractor shall comply with Paragraph 7.0, Administration of Contract - Contractor of this Contract.

#### **7.4 Confidentiality**

The Contractor shall maintain the confidentiality of all records obtained from the County under this Contract in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.

The Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract. The Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the "Contractor Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement", Exhibit G1.

The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the "Contractor Non-Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement", Exhibit G2.

## **8.0 STANDARD TERMS AND CONDITIONS**

### **8.1 ASSIGNMENT AND DELEGATION**

8.1.1 The Contractor shall not assign its rights or delegate its duties under this Contract, or both, either in whole or in part, without the prior written consent of the Treasurer and Tax Collector. Any unapproved assignment or delegation shall be null and void. Any payments by the TTC to any approved delegate or assignee on any claim under this Contract shall be deductible, at TTC's sole discretion, against the claims, which the Contractor may have against the County.

8.1.2 If any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without TTC's express prior written approval, may result in the termination of this Contract.

### **8.2 AUTHORIZATION WARRANTY**

The Contractor represents and warrants that the person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority.

### **8.3 BUDGET REDUCTIONS**

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County Contracts, the County reserves the right to reduce its payment obligation, i.e., Commission Rate correspondingly for that fiscal year and any subsequent fiscal year services provided by the Contractor under the Contract. The County's notice to the Contractor regarding said reduction in payment obligation

shall be provided within 30 calendar days of the Board's approval of such actions. The Contractor shall continue to provide all of the services set forth in the Contract.

#### **8.4 CHANGE NOTICES AND AMENDMENTS**

- 8.4.1 The County reserves the right to initiate Change Notices that **do not affect** the Work, Term, or Commission Rate or payments. All such changes shall be accomplished with an executed Change Notice signed by the Contractor and by County's Contract Administrator.
- 8.4.2 For any change which affects the Work, payments, or any term or condition included under this Contract, an Amendment shall be prepared and executed by the Contractor and the Treasurer and Tax Collector.
- 8.4.3 The County's Board of Supervisors or Chief Administrative Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Administrative Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the Contractor and by the Treasurer and Tax Collector.
- 8.4.4 The Treasurer and Tax Collector may at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Contract. The Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the Contractor and by the Treasurer and Tax Collector.
- 8.4.5 For any change which affects the Term of Contract included in this Contract, a negotiated amendment shall be prepared therefore, executed by Contractor, and thereafter by County's Board of Supervisors.

## **8.5 COMPLAINTS**

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

Within fifteen (15) business days after Contract effective date, the Contractor shall provide TTC with the Contractor's policy for receiving, investigating and responding to user complaints.

8.5.1 TTC will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.

8.5.2 If TTC requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days.

8.5.3 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to TTC for approval before implementation.

The Contractor shall preliminarily investigate all complaints and notify the County's Contract Administrator of the status of the investigation within five (5) business days of receiving the complaint. When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines. Copies of all written responses shall be sent to the County's Contract Administrator within three (3) business days of mailing to the complainant.

## **8.6 COMPLIANCE WITH APPLICABLE LAW**

8.6.1 The Contractor shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.6.2 The Contractor shall indemnify and hold harmless the County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of the Contractor or its employees, agents, or

subcontractors of any such laws, rules, regulations, ordinances, or directives.

## **8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS**

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The Contractor shall comply with Exhibit D - Contractor's EEO Certification.

## **8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM**

### **8.8.1 Jury Service Program:**

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit H and incorporated by reference into and made a part of this Contract.

### **8.8.2 Written Employee Jury Service Policy.**

1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such

jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

2. For purposes of this Sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County

may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

4. Contractor's violation of this Sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

## **8.9 CONFLICT OF INTEREST**

8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

8.9.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a

complete description of all relevant circumstances. Failure to comply with the provisions of this Sub-paragraph shall be a material breach of this Contract.

**8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST**

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give **first consideration** for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

**8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS**

Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates.

The County will refer GAIN/GROW participants by job category to the Contractor. Contractor shall contact the nearest GAIN/GROW office to obtain referrals. A list of GAIN/GROW offices may be obtained via the internet at: <http://www.ladpss.org/dpss/gainservices/default.cfm>

In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

## **8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT**

### **8.12.1 Responsible Contractor**

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Contractors.

### **8.12.2 Chapter 2.202 of the County Code**

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing Contracts the Contractor may have with the County.

### **8.12.3 Non-responsible Contractor**

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

### **8.12.4 Contractor Hearing Board**

If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of

the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

#### **8.12.5 Subcontractors of Contractor**

These terms shall also apply to Subcontractors of County Contractors.

### **8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The

Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

#### **8.14 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

8.14.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

#### **8.15 COUNTY'S QUALITY ASSURANCE PLAN**

The County or its agent will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to

the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

## **8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS**

- 8.16.1 Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.
- 8.16.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand.

## **8.17 EMPLOYMENT ELIGIBILITY VERIFICATION**

The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any

other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

#### **8.18 FACSIMILE REPRESENTATIONS**

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Change Notices and Amendments prepared pursuant to Sub-paragraph 8.4, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Change Notices and Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

#### **8.19 FAIR LABOR STANDARDS**

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

#### **8.20 GOVERNING LAW, JURISDICTION, AND VENUE**

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

## **8.21 INDEPENDENT CONTRACTOR STATUS**

- 8.21.1 This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 8.21.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.
- 8.21.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.
- 8.21.4 As previously instructed in Sub-paragraph 7.4 - Confidentiality, the Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the "Contractor Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement", Exhibit G1. The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the "Contractor Non-Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement", Exhibit G2.

## **8.22 INDEMNIFICATION**

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the Contractor's acts and/or omissions arising from and/or relating to this Contract.

## **8.23 GENERAL INSURANCE REQUIREMENTS**

Without limiting the Contractor's indemnification of the County and during the term of this Contract, the Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the County. Such coverage shall be provided and maintained at the Contractor's own expense.

**8.23.1 Evidence of Insurance:** Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to:

Treasurer and Tax Collector  
Contracts Section  
500 West Temple Street, Room 464  
Los Angeles, California 90012  
Attn.: Contract Manager

fifteen (15) business days prior to commencing services under this Contract. Such certificates or other evidence shall:

- Specifically identify this Contract;
- Clearly evidence all coverages required in this Contract;
- Contain the express condition that the County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
- Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and

employees as insureds for all activities arising from this Contract; and

- Identify any deductibles or self-insured retentions for the County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to the County, or, require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

**8.23.2 Insurer Financial Ratings:** Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII unless otherwise approved by the County.

**8.23.3 Failure to Maintain Coverage:** Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend this Contract. The County, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage, and without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

**8.23.4 Notification of Incidents, Claims or Suits: Contractor shall report to the County:**

- Any accident or incident relating to services performed under this Contract which involves injury or property damage which may result in the filing of a claim or lawsuit against the Contractor and/or the County. Such report shall be made in writing within 24 hours of occurrence.

- Any third party claim or lawsuit filed against the Contractor arising from or related to services performed by the Contractor under this Contract.
- Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a County “Non-employee Injury Report” to the County Contract Manager.
- Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to the Contractor under the terms of this Contract.

**8.23.5 Compensation for County Costs:** In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to the County, the Contractor shall pay full compensation for all costs incurred by the County.

**8.23.6 Insurance Coverage Requirements for Subcontractors:** The Contractor shall ensure any and all subcontractors performing services under this Contract meet the insurance requirements of this Contract by either:

- The Contractor providing evidence of insurance covering the activities of subcontractors, or
- The Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

**8.24 INSURANCE COVERAGE REQUIREMENTS**

**8.24.1 General Liability** insurance written on ISO policy form CG 00 01

or its equivalent with limits of not less than the following:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

**8.24.2 Automobile Liability** written on ISO policy form CA 00 01 or its equivalent with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all “owned”, “hired” and “non-owned” vehicles, or coverage for “any auto”.

**8.24.3 Workers’ Compensation and Employers’ Liability** insurance providing workers’ compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which the Contractor is responsible. In all cases, the above insurance also shall include Employers’ Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee:	\$1 million

**8.24.4 Professional Liability** insurance covering liability arising from any error, omission, negligent or wrongful act of Contractor, its officers or employees with limits of not less than \$1 million per occurrence and \$2 million aggregate. The coverage also shall provide an extended two (2) year reporting period commencing upon termination or cancellation of this Contract.

**8.24.5 Crime Coverage** insurance limits in amounts not less than indicated below covering against loss of money, securities, or other property referred to in this Contract, and naming the County as loss payee.

Employee Dishonesty:	\$1 million
Forgery or Alteration:	\$1 million
Theft, Disappearance & Destruction:	\$1 million
Computer Fraud:	\$1 million
Burglary and Robbery:	\$1 million

**8.24.6 Performance Bond**  
Contractor shall furnish to County, Per Government Code Section 26221, a Faithful Performance Bond in the sum of not less than ten thousand dollars (\$10,000) payable to the County of Los Angeles and executed by a corporate surety

licensed to do business as a surety in the State of California. Such bond shall be conditioned upon faithful performance by Contractor of the terms and conditions of this Contract and shall be renewed by Contractor to provide for continuing liability in the above amount not withstanding any payment or recovery thereon.

## **8.25 LIQUIDATED DAMAGES**

8.25.1 If, in the judgment of the Treasurer and Tax Collector, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Treasurer and Tax Collector, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. The work not performed and the amount to be withheld or deducted from payments to the Contractor from the County will be forwarded to the Contractor by the Treasurer and Tax Collector, or his/her designee, in a written notice describing the reasons for said action.

8.25.2 If the Treasurer and Tax Collector determines that there are deficiencies in the performance of this Contract that the Treasurer and Tax Collector deems are correctable by the Contractor over a certain time span, the Treasurer and Tax Collector will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Treasurer and Tax Collector may:

(a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Commission Fee; and/or

(b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable

estimate of such damages is One Hundred Dollars (\$100) per day per infraction, or as specified in the Performance Requirements Summary (PRS) Chart, as defined in Appendix C, Technical Exhibit 2, hereunder, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the Contractor; and/or

(c) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

8.25.3 The action noted in Sub-paragraph 8.25.2 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.

8.25.4 This Sub-paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or Sub-paragraph 8.25.2, and shall not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

## **8.26 MOST FAVORED PUBLIC ENTITY**

If the Contractor's prices decline, or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

## **8.27 NONDISCRIMINATION AND AFFIRMATIVE ACTION**

- 8.27.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 8.27.2 The Contractor shall certify to, and comply with, the provisions of Exhibit D - Contractor's EEO Certification.
- 8.27.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.27.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, or physical or mental disability, marital status, or political affiliation.
- 8.27.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.

- 8.27.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Sub-paragraph 8.27 when so requested by the County.
- 8.27.7 If the County finds that any provisions of this Sub-paragraph 8.27 have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.
- 8.27.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

## **8.28 NON EXCLUSIVITY**

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Contractor. This Contract shall not restrict TTC from acquiring similar, equal or like goods and/or services from other entities or sources.

## **8.29 NOTICE OF DELAYS**

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one

(1) day, give notice thereof, including all relevant information with respect thereto, to the other party.

### **8.30 NOTICE OF DISPUTES**

The Contractor shall bring to the attention of the County Contract Manager and/or County Contract Administrator any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County Contract Manager or County Contract Administrator is not able to resolve the dispute, the Treasurer and Tax Collector, or designee shall resolve it.

### **8.31 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

### **8.32 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit I of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

### **8.33 NOTICES**

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits E - County's

Administration and F - Contractor's Administration. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The Treasurer and Tax Collector shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

#### **8.34 PROHIBITION AGAINST INDUCEMENT OR PERSUASION**

Notwithstanding the above, the Contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

#### **8.35 PUBLIC RECORDS ACT**

8.35.1 Any documents submitted by Contractor; all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to Sub-paragraph 8.37 - Record Retention and Inspection/Audit Settlement of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.35.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a

proposal marked “trade secret”, “confidential”, or “proprietary”, the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney’s fees, in action or liability arising under the Public Records Act.

### **8.36 PUBLICITY**

8.36.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor’s need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Contract, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County’s Contract Administrator. The County shall not unreasonably withhold written consent.

8.36.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Sub-paragraph 8.36 shall apply.

### **8.37 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT**

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to

examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or records relating to this Contract. All such material, including, but not limited to, all financial records, timecards and other employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.37.1 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. The County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.37.2 Failure on the part of the Contractor to comply with any of the provisions of this Sub-paragraph 8.37 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

8.37.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County may conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at

the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

**8.37.4 Financial Statements:** Beginning one (1) year after the Effective Date and every year thereafter, until the expiration of this Contract, Contractor shall submit to County a complete set of audited financial statements for the twelve (12) month period. Such statements shall, at a minimum, include a Balance Sheet (Statement of Financial Position), and Income Statement (Statement of Operations). In addition, Contractor shall submit a statement regarding any pending litigation since Contractor last reported same to County. County reserves the right to request these audited financial statements on a more frequent basis and will so notify Contractor in writing.

### **8.38 RECYCLED BOND PAPER**

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

### **8.39 SUBCONTRACTING**

8.39.1 The requirements of this Contract may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

8.39.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

- A description of the work to be performed by the subcontractor;
  - A draft copy of the proposed subcontract; and
  - Other pertinent information and/or certifications requested by the County.
- 8.39.3 The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.
- 8.39.4 The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.
- 8.39.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its subcontractors of this County right.
- 8.39.6 The County's Contract Administrator is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees.
- 8.39.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.39.8 The Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The Contractor shall ensure delivery of all such documents to:

County of Los Angeles  
Treasurer and Tax Collector – Contracts Section  
500 West Temple Street, Room 464

Los Angeles, California, 90012  
e-mail address:ttccontr@co.la.ca.us  
fax # (213) 687-4857

before any subcontractor employee may perform any work hereunder.

#### **8.40 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

Failure of the Contractor to maintain compliance with the requirements set forth in Sub-paragraph 8.14 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to Sub-paragraph 8.42 - Termination for Default and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

#### **8.41 TERMINATION FOR CONVENIENCE**

8.41.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

8.41.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall:

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.41.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with Sub-paragraph 8.37, Record Retention & Inspection/Audit Settlement.

## **8.42 TERMINATION FOR DEFAULT**

8.42.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Contract Administrator:

- Contractor has materially breached this Contract;
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

8.42.2 In the event that the County terminates this Contract in whole or in part as provided in Sub-paragraph 8.42.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this sub-paragraph.

8.42.3 Except with respect to defaults of any subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in Sub-paragraph 8.42.2 if its failure to perform this Contract arises out of causes beyond the control and without the

fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this Sub-paragraph 8.42.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

8.42.4 If, after the County has given notice of termination under the provisions of this Sub-paragraph 8.42, it is determined by the County that the Contractor was not in default under the provisions of this Sub-paragraph 8.42, or that the default was excusable under the provisions of Sub-paragraph 8.42.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Sub-paragraph 8.41 - Termination for Convenience.

8.42.5 In the event the County terminates this Contract in its entirety due to the Contractor's default as provided in Sub-paragraph 8.42.1, the Contractor and the County agree that the County will have actual damages, which are extremely difficult to calculate and impracticable to fix and which will include, but are not limited to, the County's costs of procurement of replacement services and costs incurred due to delays in procuring such services. Therefore, the Contractor and the County agree that the County

shall, at its sole option and in lieu of the provisions of Sub-paragraph 8.42.2, be entitled to liquidated damages from the Contractor, pursuant to California Civil Code Section 1671, in the amount of Five Thousand Dollars (\$5,000) or five percent (5%) of the applicable year's Commission Fee, whichever is less, as equitable compensation to the County for such actual damages. This amount of liquidated damages shall be either paid by the Contractor to the County by cash payment upon demand or, at the sole discretion of the TTC, or designee, deducted from any amounts due to the Contractor by the County, whether under this Contract or otherwise.

These liquidated damages shall be in addition to any credits, which the County is otherwise entitled to under this Contract, and the Contractor's payment of these liquidated damages shall not in any way change, or affect the provisions of Sub-paragraph 8.22 - Indemnification.

8.42.6 The rights and remedies of the County provided in this Sub-paragraph 8.42 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

### **8.43 TERMINATION FOR IMPROPER CONSIDERATION**

8.43.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

- 8.43.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.
- 8.43.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

#### **8.44 TERMINATION FOR INSOLVENCY**

- 8.44.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:
- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
  - The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
  - The appointment of a Receiver or Trustee for the Contractor; or
  - The execution by the Contractor of a general assignment for the benefit of creditors.
- 8.44.2 The rights and remedies of the County provided in this Subparagraph 8.44 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.45 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE**

The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter

2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

#### **8.46 TERMINATION FOR NON-APPROPRIATION OF FUNDS**

Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

#### **8.47 VALIDITY**

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

#### **8.48 WAIVER**

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Sub-paragraph 8.48 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

## **8.49 WARRANTY AGAINST CONTINGENT FEES**

8.49.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

8.49.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

## **8.50 USE OF COUNTY SEAL AND TTC'S LOGO**

Contractor shall not use or display the official seal of County or TTC's logo on any of its letterheads or other communications with any business, or for any other reason.

## **9.0 UNIQUE TERMS AND CONDITIONS**

### **9.1 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM**

9.1.1 This Contract is subject to the provisions of the County's ordinance entitled Local Business Enterprise Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.

9.1.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.

9.1.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the

purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

9.1.4 If Contractor has obtained County certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply if Contractor is no longer eligible for certification as a result in a change of their status and Contractor failed to notify the State and the County's Office of Affirmative Action Compliance of this information.

## **9.2 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT**

9.2.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through Contractor's work pursuant to this Contract. Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the County all Contractor's right, title and interest in and to such original materials, including any copyright, patent and

trade secret rights which arise pursuant to Contractor's work under this Contract.

- 9.2.2 During the term of this Contract and for five (5) years thereafter, Contractor shall maintain and provide security for all Contractor's working papers prepared under this Contract. County shall have the right to inspect, copy and use at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.
- 9.2.3 Any and all materials, software and tools which are developed or were originally acquired by Contractor outside the scope of this Contract, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to County's Contract Manager as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "Propriety" or "Confidential" on each appropriate page of any document containing such material.
- 9.2.4 County will use reasonable means to ensure that Contractor's proprietary and/or confidential items are safeguarded and held in confidence. County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Contractor.
- 9.2.5 Notwithstanding any other provision of this Contract County will not be obligated to Contractor in any way under Sub-paragraph 9.2.4 for any of Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by Sub-paragraph 9.2.3 or for any disclosure which County is required to make under any state or federal law or order of court.
- 9.2.6 All the rights and obligations of this Sub-paragraph 9.2 shall survive the expiration or termination of this Contract.

### **9.3 PATENT, COPYRIGHT & TRADE SECRET INDEMNIFICATION**

9.3.1 Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of Contractor's work under this Contract. County shall inform Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support Contractor's defense and settlement thereof.

9.3.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

- Procure for County all rights to continued use of the questioned equipment, part, or software product; or
- Replace the questioned equipment, part, or software product with a non-questioned item; or
- Modify the questioned equipment, part, or software so that it is free of claims.

9.3.3 Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by Contractor, in a manner for which the questioned product was not designed nor intended.



**IN WITNESS WHEREOF**, Contractor has executed this Contract or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written. The persons signing on behalf of the Contractor warrant under penalty of perjury that he or she is authorized to bind the Contract.

COUNTY OF LOS ANGELES

ATTEST:

VIOLET VARONA-LUKENS  
Executive Officer-Clerk  
of the Board of Supervisors

By \_\_\_\_\_  
Chair, Board of Supervisors

By \_\_\_\_\_

\_\_\_\_\_  
Linebarger Goggan Blair & Sampson, LLP

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Tax ID \_\_\_\_\_

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.  
COUNTY COUNSEL

By \_\_\_\_\_  
Principal Deputy County Counsel

**CONTRACT FOR  
DELINQUENT ACCOUNT COLLECTION SERVICES**

**TABLE OF CONTENTS OF EXHIBITS**

**STANDARD EXHIBITS**

- A STATEMENT OF WORK
- B COMMISSION RATE
- C TECHNICAL EXHIBITS
- D CONTRACTOR'S EEO CERTIFICATION
- E COUNTY'S ADMINISTRATION
- F CONTRACTOR'S ADMINISTRATION
  
- G FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION**
- G1 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY,  
& COPYRIGHT ASSIGNMENT AGREEMENT
- G2 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT,  
CONFIDENTIALITY, & COPYRIGHT ASSIGNMENT AGREEMENT
- H JURY SERVICE ORDINANCE
- I SAFELY SURRENDERED BABY LAW
- J **INTENTIONALLY OMITTED**
- K **INTENTIONALLY OMITTED**
- L **INTENTIONALLY OMITTED**

**FORMS REQUIRED AT THE COMPLETION OF THE CONTRACT WHEN THE WORK  
INVOLVED INTELLECTUAL PROPERTY DEVELOPED/DESIGNED BY CONTRACTOR**

- M1 INDIVIDUAL'S ASSIGNMENT AND TRANSFER OF COPYRIGHT
- M2 CONTRACTOR'S ASSIGNMENT AND TRANSFER OF COPYRIGHT
- M3 NOTARY STATEMENT FOR ASSIGNMENT AND TRANSFER OF  
COPYRIGHT
  
- N CONTRACTOR'S OBLIGATION UNDER HIPAA

# STATEMENT OF WORK

**TABLE OF CONTENTS**

<b>SECTION</b>	<b>TITLE</b>	<b>PAGE</b>
1.0	SCOPE OF WORK .....	1
2.0	ACCOUNTS .....	1
3.0	DELINQUENT ACCOUNTS ASSIGNED FOR COLLECTION .....	2
4.0	WORKLOAD VOLUMES .....	2
5.0	SPECIFIC WORK REQUIREMENTS .....	3
6.0	MINIMUM INTERNAL CONTROL REQUIREMENTS .....	16
7.0	QUALITY CONTROL.....	19
8.0	COMPLAINTS .....	20
9.0	QUALITY ASSURANCE PLAN.....	21
10.0	RESPONSIBILITIES.....	21
	<u>COUNTY</u>	
10.1	Personnel.....	22
	<u>CONTRACTOR</u>	
10.2	Contract Manager .....	22
10.3	Personnel.....	23
10.4	Materials and Equipment .....	23
10.5	Training.....	23
10.6	Contractor's Office .....	23
11.0	COUNTY OF LOS ANGELES HOLIDAYS .....	23
12.0	PERFORMANCE REQUIREMENTS SUMMARY .....	24

# **EXHIBIT A**

## **STATEMENT OF WORK (SOW)**

### **1.0 SCOPE OF WORK**

The Treasurer and Tax Collector (TTC) operates as the collection agency for the County of Los Angeles (County), providing a variety of services ranging from billing services to more difficult collection efforts for certain County departments. After a department has exhausted its own specific collection efforts, the delinquent accounts are referred to TTC. Approximately ninety-five percent (95%) of the accounts referred to TTC are from the Department of Public Social Services (DPSS) which are Food Stamps, Cash and General Relief Overpayments. The remaining five percent (5%) represents outstanding debt owed to various County departments for personal or mandated services received by individuals or business entities. Some examples of these services include the recovery of overpayments, the collection of fees and penalties, and the reimbursement to the County for checks returned to County. TTC's client departments and the estimated percentages are subject to change.

Subsequent to award of Contract, TTC may be required by law or may deem it in the County's best interest to commence augmented collection efforts or the usage of new collection methodologies. At such time, TTC will execute an Amendment to the Contract with the Contractor for such services and negotiate a Commission Rate for the augmented services not to exceed the Contract Commission Rate set forth in Paragraph 5.0, Commission Rate, of the Contract.

### **2.0 ACCOUNTS**

The delinquent accounts that may be referred to the Contractor are categorized as "miscellaneous accounts". These are the accounts that flow

through TTC's collection process prior to referral to the Contractor. Miscellaneous accounts may include, but are not limited to, the following:

<u>Department</u>	<u>Type of Accounts</u>
Public Social Services (DPSS)	Food Stamps, Cash and General Relief Overpayments.
Various Departments	Primarily recovery of overpayments, miscellaneous department fees/penalties and returned checks.

### **3.0 DELINQUENT ACCOUNTS ASSIGNED FOR COLLECTION**

3.1 In the event of multiple Contractors, TTC will refer delinquent accounts to each Contractor in a manner determined to be in the best interest of the County. TTC does not guarantee any particular level of account referrals or the age of the accounts at referral during the course of the Contract.

3.2 Immediately upon assignment of accounts, the Contractor shall undertake collection efforts in accordance with this Exhibit A, Statement of Work (SOW), and all applicable Federal and State laws. TTC reserves the right to direct Contractor to modify or change collection techniques with regards to these accounts.

### **4.0 WORKLOAD VOLUMES**

<b>Average Number of Miscellaneous Accounts Available for Referral</b>		
<i>(Based on TTC's historical statistics for the most recent fiscal year 2004-05 - no guarantee these numbers are indicative of future workload)</i>		
<b>Category</b>	<b>Total Number of Accounts</b>	<b>Total Dollar Value</b>
DPSS	21,919	\$7,938,323
Various	253	\$ 1,831,634
<b>Total</b>	<b>22,172</b>	<b>\$9,769,957</b>

These are historical workload statistics and the actual workload may fluctuate from month to month. The average length of time from the date the debt was incurred to referral to the Contractor is three (3) to six (6) months. TTC does not guarantee any particular level of account referrals or the age of the accounts at referral during the course of the contract.

## **5.0 SPECIFIC WORK REQUIREMENTS**

### **5.1 Referral of Delinquent Miscellaneous Accounts**

On a monthly basis, the TTC will create a file to be transmitted electronically, currently via File Transfer Protocol (FTP), of delinquent miscellaneous accounts. File format specifications shall be provided upon Contract award. Information in the files will include the debtor's name, last known address, Social Security Number, account number, balance due on account, and type of service.

5.1.1 The Contractor will load the files to its system and provide TTC with an Acknowledgement of Referrals for the files, pursuant to Attachment 1.3, Acknowledgement of Referrals.

### **5.2 Collection Methods**

Contractor shall at minimum, perform the services enumerated below. To maximize the rate of collection, Contractor may be required to perform services in addition to those listed below:

1. Monthly statements to all debtors;
2. Telephone contact with delinquent debtors to apprise them of their failure to meet payment obligations;
3. Issuance of warning letters to advise delinquent debtors of an outstanding obligation;
4. Generation of monthly delinquent reports for submission to TTC;
5. Capability to accept multiple forms of payments including, cash, checks, money orders, credit cards and debit cards; and
6. In the event Contractor does not have the capability to accept cash, within 90 days of execution of this Contract, Contractor shall provide to TTC for review, a proposed plan to institute cash acceptance at a local office. The Cash Acceptance Plan proposal

shall include, but not be limited to, any accounting and internal control procedures not already included in the Contractor's existing Internal Control Plan.

### **5.3 Personal Check/ Credit Card Verification**

5.3.1 In order to determine whether personal checks submitted by debtors are valid and are covered by sufficient funds, Contractor shall subject all personal checks to a verification or authorization service (e.g., TeleCheck); and

5.3.2 To ensure the validity of credit cards, Contractor shall obtain verification or authorization for every credit card submitted by a debtor.

### **5.4 Credit Card Fees, Collection Costs, etc.**

Contractor shall not pass Credit Card fees, or any other additional fees onto the debtor or the County.

### **5.5 Segregation of Accounts**

The Contractor shall segregate all accounts referred by the TTC from all other Contractor accounts. All information relating to the accounts referred and assigned shall be confidential, and shall not be open to examination for any purpose not directly connected with the servicing of the accounts by the Contractor. Employees of the Contractor who provide services pursuant to the Contract must sign and adhere to the "Contractor Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement", Exhibit G1.

### **5.6 Automated System Requirements**

5.6.1 The Contractor shall be required to track activities related to the referred accounts in an automated system to allow data to be exchanged in an automated method. Data will be exchanged via Secured File Transfer Protocol (SFTP) which is a client application that allows for a 128-bit encrypted secure connection to be made to a server that supports File Transfer Protocol (FTP) over Secured Socket Layers (SSL). The County's FTPS server location will be provided upon Contract award. Files to be exchanged include, but are not limited to:

1. New Account Referrals – FTP from TTC to Contractor
2. Payment postings – FTP from Contractor to TTC
3. Payments made directly to TTC – FTP from TTC to Contractor
4. Requests to Recall Accounts – FTP from TTC to Contractor
5. Recalled Accounts – FTP from Contractor to TTC
6. Uncollectible Accounts – FTP from Contractor to TTC
7. Closed (Paid in Full) Accounts – FTP from Contractor to TTC
8. Various Reports – FTP from Contractor to TTC

5.6.2 The Contractor shall be required to maintain account-related notes, including note dates, in an automated system and provide those notes to TTC along with the account data upon recall or closure of the account (uncollectible or paid in full).

## **5.7 Adjustments to Contractor Records**

5.7.1 TTC shall notify the Contractor, in accordance with Attachment 1.8, Credit Adjustments to Decrease Balance, of any adjustments required to the Contractor records resulting from adjustments to the charge or payments received directly by the County. The Contractor shall accurately post all adjustments to the appropriate accounts within five (5) business days of receipt of the adjustment notification and consistent with the manner presented by TTC. The Contractor shall also provide TTC with an Acknowledgement of Adjustments Report in accordance with Attachment 1.10, OCA Transmittal Form.

5.7.2 If the Contractor does not agree with the adjustments for any reason, it must notify TTC in writing of the specific reasons for the objections and provide TTC with supporting documentation within five (5) business days from the date the adjustment notification was received by the Contractor. TTC shall evaluate the Contractor's objection, make a determination and notify the Contractor in writing of its decision within ten (10)

business days of receipt of the notice from the Contractor. TTC's decision on any objection shall be final, with regard to this Subparagraph 5.7. Failure on the part of the Contractor to act within the prescribed time frames and in accordance with the procedures set forth above will result in a waiver of any claim for commission that might have otherwise been warranted.

## **5.8 Recall of Accounts**

5.8.1 TTC shall have the right to recall from the Contractor, without charge or penalty, individual accounts referred or assigned pursuant to the contract in the following circumstances:

- a) Any account within thirty (30) calendar days of the referral or assignment to the Contractor.
- b) Any account upon which no payment has been received within three (3) months of assignment.
- c) Any account that has been assigned to the Contractor for more than two (2) years and is not then in litigation.
- d) Any account which TTC determines to be publicly sensitive or which the best interests of the County would not be served by the efforts of the Contractor.
- e) Any account owed by a debtor who files any petition in bankruptcy, including a petition for a wage earner's plan.
- f) Any account that is eligible for or covered by a third party resource.
- g) Any account where the liability lies with a third party tort-feasor.
- h) Any account eligible for the State Franchise Tax Board/Intercept Program.
- i) Any account that is secured by a mortgage/deed of trust.
- j) Any account where the debtor is deceased.

**5.8.2** Immediately upon receipt of TTC's recall notification, the Contractor shall discontinue collection efforts. All account/debtor information shall be returned to TTC in accordance with the schedule and formats in Attachment 1.11, Request to Recall, and 1.12, Monthly Recall Report. Under no circumstances shall Contractor undertake further locate or collection efforts on recalled accounts. Contractor shall still maintain a record of recalled accounts for auditing purposes as described in this SOW, Attachment 1.1 through 1.12.

## **5.9 Disputes**

In the event that a debtor disputes any amount of the balance due on an account or liability for payment of all or part of the amount due to an established public debt reduction program, the Contractor shall notify TTC in writing of such dispute within three (3) business days after debtor disputes the amount. The Contractor shall not resume locate or collection efforts on the disputed amount until directed in writing by TTC to do so.

## **5.10 Debtor Payments on Assigned Accounts**

5.10.1 The Contractor may use payment schedules. The Contractor shall collect legally allowed interest on all court judgments only if the judgment does permit the collection of interest. However, the Contractor must provide copies of the legal documents allowing such to TTC prior to any collection of interest.

5.10.2 All Contractor collections shall be remitted to TTC in accordance with Subparagraph 5.22, Payment Remittance, herein. In the event the Contractor collects allowable interest, a separate report identifying the interest payments by account shall be submitted with the Payment/Commissions Report, as set forth in Attachment 1.4, Statement on Collection Commission.

## **5.11 Legal Action**

5.11.1 The Contractor shall identify any assigned account that cannot be collected through normal collection techniques but, in the

Contractor's view, may be collected through suit. The Contractor must provide to TTC verifying documentation that the case meets TTC's guidelines. TTC shall provide such guidelines in writing to the Agency prior to implementation of the Contract. TTC will process the paperwork necessary to seek approval of the lawsuit, which may require the approval of the Board of Supervisors. TTC will notify the Contractor in writing if the approval is granted and the Contractor may proceed with the lawsuit. In no event shall the Contractor institute a suit or legal proceeding without the prior written authorization of TTC. The Contractor shall bring and maintain any action in its own name and not in the name of the County. The County owns the right for the payment of the Judgment minus the commission regardless of when the payment is received.

5.11.2 The Contractor shall notify TTC in writing of any monies collected through suit. All costs awarded by court judgment shall be added to the account only after the Contractor has forwarded proof of such costs to TTC. The Contractor shall then be allowed to collect its costs as awarded in the judgment only. If attorney fees are stipulated in the judgment, the Contractor can recoup the entire amount. However, attorney fees are considered to be principal and the Contractor can only collect interest on such fees provided the judgment specifies interest. Pursuant to Section 695.220, Code of Civil Procedures, the Contractor shall apply payments in the following priority on all judgments: (1) court costs, (2) interest, and (3) principal. All court costs, attorney fees and applicable interest on the attorney fees shall be paid solely to the Contractor. All other interest and principal shall be split between the Contractor and TTC, in accordance with the Contract, Paragraph 5.0, Commission Rate.

## **5.12 Contractor Attorneys**

The Contractor shall employ a licensed attorney or attorneys in the State of California to invoke legal process, pursuant to Subparagraph 5.11, Legal Action, in the collection of these accounts. Compensation shall be paid by the Contractor for the services of any such attorney as part of Contractor's commission. Any attorneys so employed shall be deemed to represent the Contractor and not the County.

### **5.13 Attachment**

The Contractor, upon securing a judgment, may utilize the attachment process to enforce a judgment, with the prior written approval of TTC.

### **5.14 Deceased Debtors and Liens**

#### **5.14.1 Deceased Debtor**

Where it comes to the attention of the Contractor that the debtor is deceased and an estate has been opened in his name, or that the County, prior to the date of the referral or assignment of the account, had a lien against any of the debtor's real property, the Contractor shall return such account to TTC and shall be entitled only to a commission on such sums as have been collected by the Contractor from the date of assignment and prior to the date the Contractor was notified that the debtor was deceased.

#### **5.14.2 Third Party Tort-Feasor Lien Pursuant to Sections 23004.1 and 23004.2 of the Government Code**

Where it comes to the attention of the Contractor that the debtor has instituted a suit against a third party tort-feasor liable for medical care, or the Contractor has discovered the identity and/or whereabouts of said third party tort-feasor creating the circumstances giving rise to liability pursuant to Government Code Section 23004.1, the Contractor shall immediately notify TTC. The Contractor shall return such account to TTC and shall be entitled only to a commission on such sums as have been collected by the Contractor from the date of assignment and prior to the date the Contractor was notified of any pending action. In the event the Contractor

takes any commissions on payments received by the Contractor, having knowledge that the liability for the account lies with a third party tort-feasor, the Contractor shall reimburse TTC for the amount of the commission taken.

#### **5.14.3 Mortgaged/Deed of Trust**

Where it comes to the attention of the Contractor that the debt has been secured by a mortgage or deed of trust, and said mortgage or mortgage lien is the only source of repayment of an account, the Contractor shall notify TTC and shall return such account to TTC and shall not be entitled to a fee or commission.

#### **5.15 Uncollectible Accounts**

5.15.1 The Contractor shall report to TTC on all accounts deemed by the Contractor to be uncollectible. Such accounts shall be returned to TTC, and the Contractor shall have no rights to a commission for any sums thereafter collected upon these accounts. All such accounts are to be returned to TTC via electronic format, currently FTP. If the Contractor makes a recommendation for reactivation of an account, within sixty (60) calendar days of returning said account, TTC may, in its sole discretion, once again refer or assign such account to the Contractor, pursuant to Subparagraph 5.25, Special Circumstance Accounts, herein. The Contractor shall be entitled to its commission for any sums thereafter collected upon such reassigned accounts.

5.15.2 The Contractor shall not collect any payments and/or commissions on accounts that have not been assigned to the Contractor.

#### **5.16 Compromises**

The Contractor may be authorized to initiate a compromise settlement of assigned accounts in accordance with procedures provided by TTC.

### **5.17 Franchise Tax Board/Intercept Program and Treasury Offset Program**

The Contractor will not be entitled to any commission on payments received through the State Franchise Tax Board/Intercept Program.

### **5.18 Contractor Collections**

5.18.1 The Contractor shall provide a daily cashiering function for debtor mail-in and if applicable, walk-in payments at Contractor's business office where the County's accounts are worked and shall provide for the daily collection and processing of these payments. The Contractor is only to accept payments on assigned accounts. All payments received shall be processed daily by the Contractor's office staff and deposited on the same day into a bank account in the Contractor's name insured by the Federal Deposit Insurance Corporation and approved by TTC. The Contractor shall maintain this bank account for the exclusive use of TTC collections.

5.18.2 Contractor shall ensure that they are in compliance with the Internal Control Plan as approved by TTC. The Contractor shall ensure that procedures are followed in the handling of collections from debtors. For the purposes of the Contract, adequate internal control procedures are, at a minimum, the controls set forth in Subparagraph 6.0, Minimum Internal Control Requirements, Exhibit A, SOW. If TTC determines that additional controls are necessary at any time during the term of the Contract, the Contractor shall implement such additional controls, as are required, or such alternative procedures as pre-approved in writing by TTC. The Contractor shall be liable and responsible for all collection shortages related to the accounts, which may occur during Contractor's collection and processing activities.

### **5.19 Paid in Full Letters**

The Contractor may issue a letter or receipt on paid in full or settled accounts that states: "This particular account number \_\_\_\_\_, assigned to (Name of Contractor), is either paid in full or settled as indicated." However, at no time shall such letters or receipts indicate that such account is a Los Angeles County account.

#### **5.20 Direct Payments**

In accordance with Attachment 1.7, Direct Payment Adjustment, TTC shall notify the Contractor of each payment TTC received directly from the debtor or third party resource when the payment is for an account previously assigned to the Contractor for collection and determined not to be the result of an action taken by TTC prior to the assignment. On a monthly basis, TTC will remit to the Contractor the appropriate commission on the direct payments. TTC's determination shall be final with regard to direct payments.

#### **5.21 Refunds**

If it is determined by TTC that a refund to the debtor is warranted for any reason, a refund will be made by the Contractor regardless of when the determination is made. The Contractor will return any commission retained or paid on the refunded amount to TTC along with the next scheduled payment remittance, as described in Subparagraph 5.22, Payment Remittance, below.

#### **5.22 Payment Remittance**

Contractor shall make remittance payments to TTC weekly and on the last business day of each month. For each deposit made to the bank account designated by TTC, the Contractor shall submit a corresponding payment posting the file to TTC, in a format and layout to be provided by TTC. The Contractor is responsible for ensuring the payment posting file reconciles to each bank deposit. Submission of the above information shall be via secured FTP. Contractor shall make additional remittance payments, if at any time, Contractor is in possession of \$3,000 or more. In the event checks are received, allow a ten (10) **business** day hold prior to making remittance to TTC.

Each Friday, (or more frequently when Contractor has a remittance amount of \$3,000 or more), and on the last business day of each month, the Contractor shall remit to TTC an amount equal to the total of all payments received by the Contractor for TTC assigned accounts less applicable commissions ("remittance amount") since the last remittance. The Contractor will deposit a check for the remittance amount into TTC's bank account at a bank to be designated by TTC. Any refunds of commissions, as set forth in Subparagraph 5.21, Refunds, above, shall also be submitted with the remittance amount.

By 9:00 a.m. (Pacific Time) each Friday, the Contractor shall notify TTC's Cash Management operations by telephone at (213) 974-7672, if the remittance amount is \$250,000 or greater for the prior period's collections. Such notification shall be immediately confirmed in writing via a facsimile transmission to TTC's Cash Management operations at (213) 687-4857. The Contractor shall also provide the monthly Statement on Collection Commission as set forth in Attachment 1.4, Statement on Collection Commission.

In the event Contractor receives debtor checks that are returned by the Contractor's bank for non-sufficient funds (NSF), Contractor shall provide an NSF Check Report (i.e., content and format) to be approved by TTC and copies of the checks (both sides) to TTC. If the bank returns the check prior to the Contractor remitting the related funds to TTC, the Contractor is to deduct the payment amount and to indicate in the Payments/Commission Report that no payment was made. If the bank returns the check after the Contractor has remitted the related funds to TTC, the Contractor shall provide TTC with a photocopy of the returned check (front and back) and deduct the payment from their next remittance to TTC.

### **5.23 Credit Reporting**

The Contractor shall not cause a County debtor to be listed with any credit reporting service (such as Experian or others). In the event this

policy changes, the Contractor will be notified in writing by the TTC Contract Manager.

#### **5.24 Required Reports**

The formats and frequency of the required reports are set forth in Attachment 1, Sample Forms. Any changes to the formats or frequency of the reports shall be provided to the Contractor in writing by TTC. From time to time, the TTC Contract Manager may request additional reports or one time only reports created from Contractor's existing data fields. The Contractor shall make such reports available to TTC within one week from TTC's request.

#### **5.25 Special Circumstance Accounts**

From time to time TTC may designate accounts for referral as "special circumstance" accounts. These may include delinquent accounts referred directly from other County departments. Commissions on these accounts shall be agreed to in writing by TTC and the Contractor, if not equal to the commissions on regularly referred accounts. These special circumstance accounts shall be subject to the terms and conditions set forth in this Exhibit A, SOW, with any exceptions or additional terms set forth in writing by TTC in accordance with this Contract Subparagraph 8.4, "Changes Notices and Amendments".

#### **5.26 Reconciliation of Account**

The Reconciliation of Accounts shall include, but not be limited to the following at intervals determined by County Contract Administrator:

- Review of TTC accounts on Contractor's Automated System against the County's CARS system for account accuracy (e.g., outstanding balance, commission paid, status code); and
- Reconciliation of discrepancies (e.g., handling charges, legal charges, commission updates on Contractors Automated System).

Submission of reconciliation reports shall be within ten (10) business days unless otherwise instructed by County Contract Manager. The

method of submission of said reports shall be determined upon Contract Award.

#### **5.27 County Auditing of Contractor Records**

Upon a minimum of twenty-four (24) hours' written notice, the County may audit, at the Contractor's place of business, any of the Contractor's records pertaining to the Contract, including all documents and information reflective in Attachments 1.1 through 1.12. The Contractor is required to maintain all such records in California until the expiration of five (5) years from the date of final payment under the Contract. In the event Contractor's place of business is not located in Los Angeles County, or is in another State, Contractor shall reimburse expenses for the County Contract Administrator and audit staff to travel to the place of business in order to audit the Contractor's records.

#### **5.28 Contract Termination/Transition to New Contract**

5.28.1 At the end of the contract period, the Contractor shall promptly return to TTC all previously referred accounts and all records and/or files pertaining to such accounts. In no case shall the Contractor continue working the accounts and no commissions will be paid on monies received by the vendor from the debtors upon termination or transition.

5.28.2 All account payment funds received by the Contractor after contract termination shall be forwarded to TTC within 3 business days of receipt. Any post-dated checks in the vendor's possession will be voided and given to TTC to arrange for replacement from the maker(s).

5.25.3 Any legal actions in progress at the time of contract termination shall be turned over to TTC for completion within 15 days of termination.

5.25.4 Within 45 days of termination, the Contractor shall submit to TTC, in the form and with the certification and reports as may be prescribed by TTC, its termination claim and invoice. Such claim and invoice shall be submitted promptly, but no later than

60 days from the effective date of termination. Upon failure of Contractor to submit its termination claim and invoice within the time allowed, County may determine, on the basis of information available to TTC, the amount, if any, due to Contractor in respect to the termination, and such determinations shall be final. After such determination is made, TTC shall pay Contractor the amount so determined.

5.25.5 The Contractor shall maintain all records relating to their contract performance for a minimum of five (5) years after contract termination. The TTC will have the right to inspect these records at any time within this 5-year period.

## **6.0 MINIMUM INTERNAL CONTROL REQUIREMENTS**

### **6.1 Mail Remittances**

6.1.1 Cash handling and record keeping duties should be adequately separated by having different staff responsible for each duty. Mail should be picked up by employees who do not have cash handling duties or access to accounting records. This requirement can also be satisfied by the use of a private courier service to pick up the mail. Mail should be opened by at least two (2) employees in order to document and verify the amount of mail payments. These employees should not have access to accounting records or be collectors.

6.1.2 Checks and money orders should be restrictively endorsed when the mail is opened. The payments should be logged into a Control Log showing the date of payment, payment instrument (e.g. check, money order, cash), debtor's name, amount received and number of the payment instrument. Any cash received should immediately be receipted and put in a safe or other secured location. The receipt should be used for posting to the account. The actual checks and money orders should be locked in a secure location with restrictive access until deposited during or at the end of the day. This location

should remain locked during the day. Two independent adding machine tapes should be run on the receipts and actual cash and checks, then compared and initialed by the two (2) mail openers.

## **6.2 Receipts**

The following controls should be in place to maintain accountability over receipts:

- 1) Receipts are not to be issued by collectors.
- 2) Receipts must be pre-numbered, multi-part forms with copies for the debtor, accounting office(s) and one retained as a control copy. Each copy must be marked for distribution.
- 3) Issued receipts should be numerically controlled and kept in a secure place. Office management staff should maintain accountability for all receipt stock, and all used and voided receipts.
- 4) Receipts should be used in numerical order.
- 5) Employees who issue receipts should not control used and unused receipt stock.

## **6.3 Walk-in Payments**

In the event Contractor(s) has an office within Los Angeles County, all walk-in payments should be receipted for in the presence of the debtor by an employee who does not have the ability to post collections to debtor accounts. A copy of the receipt must be given to the debtor. Signs should be posted in English and Spanish instructing the debtor to request and get a receipt.

## **6.4 Telephone Services**

Contractor shall provide a toll free number so that debtors may be able to:

1. Obtain information through an operator or automated system on the debt, such as status, amount due, payment options, etc.;
  2. Remit Payment; and
  3. Establish a payment plan.
- 6.4.1 Contractor shall provide an option that offers a multilingual translation.
- 6.4.2 Contractor shall also provide a toll free number for hearing impaired with a telecommunication device that offers the services specified above.
- 6.4.3 Contractor's telephone services should be available Monday through Friday 8:00 a.m. to 5:00 p.m. (Pacific Time).

## **6.5 All Payments**

- 1) All cash is to be secured and the receipt used for posting purposes. Unidentified, post-dated, and NSF checks should be accounted for and dispositioned on a separate log that provides a complete audit trail from receipt to disposition.
- 2) All payments, including unidentified payments, should be deposited daily. Duplicate deposit slips should be retained for all deposits. In the event an unidentified payment is a check or money order, a photocopy of same should be retained in order to disposition the payment at a later date.
- 3) Office management staff should reconcile the amount of mail and walk-in payments to the total amount of the deposit. The office management staff should receive one copy of the mail payment's adding machine tape and the amount of walk-in payments, and compare them to the amount of the daily deposit slips and the post-dated and unidentified check logs.
- 4) Subsequent to TTC's approval of Contractor's written Internal Control Plan, it shall be maintained and periodically updated as necessary, with TTC approval. Contractor personnel should

be periodically instructed in said procedures and office management staff should continuously monitor operations to ensure compliance therewith.

## **7.0 QUALITY CONTROL**

Contactors shall establish and utilize a comprehensive Quality Control Plan to assure the County a consistently high level of service throughout the term of the Contract. The Plan may be in a chart format and shall be submitted to the County Contract Monitor for review ten (10) business days prior to the contract start date and within ten (10) business days when changes occur during the term of the contract. The plan shall include, but may not be limited to the following:

- 7.1 Method of monitoring to ensure that Contract requirements are being met;
- 7.2 A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to the County upon request;
- 7.3 The methods for identifying and preventing deficiencies in the quality of services performed before the level of performance becomes unacceptable and not in compliance with the contract;
- 7.4 The methods for documenting the monitoring results and, if necessary, the corrective action taken; and
- 7.5 The method for assuring that confidentiality of debtor information is maintained while in the care of the Contractor.

## **8.0 COMPLAINTS**

- 8.1 In the event the Contractor receives any verbal or written complaints regarding an account referred or assigned to the Contractor under the contract, the Contractor shall immediately notify the TTC Contract Monitor by telephone. Such notification shall be followed up in writing

within three (3) business days. The Contractor shall provide the TTC Contract Manager with a copy of any written complaint within three (3) business days of receipt of same. The TTC Contract Manager shall immediately notify the Contractor, by telephone, of any verbal or written complaints received about the Contractor, will follow up in writing within three (3) business days, and shall provide the Contractor with copies of any written complaints received by TTC within three (3) business days of receipt.

- 8.2 Contractor shall maintain a master complaint log of all complaints received. The Contractor shall promptly investigate all complaints received and provide a written report to the TTC Contract Manager regarding the disposition of each verbal and written complaint within five (5) business days of written notification of such complaint. Minimum elements of the written report shall include a statement of the complaint, identification by name of the Contractor employee(s) involved, results of Contractor's investigation of the complaint, and a statement regarding the corrective action taken to avoid a recurrence of such a complaint. The County retains the right to terminate the contract in accordance with the Contract, Subparagraph 8.42, Termination for Default, if the Contractor does not take any action with regards to said complaint(s).

## **9.0 QUALITY ASSURANCE PLAN**

The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined in the Contract, Paragraph 8, Standard Terms and Conditions, Sub-paragraph 8.15, County's Quality Assurance Plan.

### **9.1 Mandatory Monthly Meetings**

Contractor shall meet with the County Contract Manager at a minimum monthly, or as determined by the County Contract Administrator. Failure to attend mandatory monthly meetings will cause an assessment of five hundred dollars (\$500.00) per occurrence.

## **9.2 Contract Discrepancy Report (*Technical Exhibit 1*)**

Verbal notification of a Contract discrepancy will be made to the Contract Monitor as soon as possible whenever a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor.

The County Contract Monitor will determine whether a formal Contract Discrepancy Report shall be issued. Upon receipt of this document, the Contractor is required to respond in writing to the County Contract Monitor within five (5) workdays, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the Contract Discrepancy Report shall be submitted to the County Contract Monitor within ten (10) workdays.

## **9.3 Government Observations**

COUNTY and/or personnel from other governmental jurisdictions may from time to time observe Contract operations. However, these personnel will not unreasonably interfere with Contractor's performance.

# **10.0 RESPONSIBILITIES**

The County's and the Contractor's responsibilities are as follows:

## **COUNTY**

### **10.1 Personnel**

The County will administer the Contract according to the Contract, Paragraph 6.0, Administration of Contract - County. Specific duties will include:

10.1.1 Monitoring the Contractor's performance in the daily operation of this Contract.

10.1.2 Providing direction to the Contractor in areas relating to policy, information and procedural requirements.

10.1.3 Preparing Change Notices in accordance with the Contract, Paragraph 8.0, Standard Terms and Conditions, Sub-paragraph 8.4 Change Notices and Amendments.

## **CONTRACTOR**

### **10.2 Contract Manager**

10.2.1 Contractor shall provide a full-time Contract Manager or designated alternate. County must have access to the Contract Manager during normal work hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, for telephone contact and to meet with TTC personnel designated to discuss the operation of the contract. In the event Contract Manager is not available the alternate shall be available to act on behalf of the Contract Manager.

10.2.2 Contract Manager shall act as a central point of contact with the County. Contract Manager shall demonstrate previous experience in the management of work requirements for facilities similar in size and complexity.

10.2.3 Contract Manager/alternate shall have full authority to act for Contractor on all matters relating to the daily operation of the Contract. Contract Manager/alternate shall be able to effectively communicate, in English, both orally and in writing.

### **10.3 Personnel**

Contractor shall assign a sufficient number of employees to perform the required work. At least one employee on site shall be authorized to act for Contractor in every detail and must read, write, and speak English.

### **10.4 Materials and Equipment**

The purchase of all materials/equipment to provide the needed services is the responsibility of the Contractor. Contractor shall use materials and equipment that are safe for the environment and safe for use by the employee.

### **10.5 Training**

Contractor shall provide training programs for all new employees and continuing in-service training for all employees.

## **10.6 Contractor's Office**

Contractor shall maintain an office with a toll free telephone number in the company's name where Contractor conducts business. In the event the office is located within the County of Los Angeles, the office shall be staffed during the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday. Contractor shall also offer extended morning or evening hours on at least one day where clients may visit or call Contractor regarding their accounts and shall also have the ability to receive payments and must have at least one employee who can respond to inquires and complaints which may be received about the Contractor's performance of the Contract. When the office is closed, an answering service shall be provided to receive calls.

## **11.0 COUNTY OF LOS ANGELES HOLIDAYS**

The Contractor is not required to work on the following County recognized holidays:

- New Year's Day
- Martin Luther King, Jr.'s Birthday
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day
- Veterans' Day
- Thanksgiving Day
- Friday after Thanksgiving Day
- Christmas Day

## **12.0 PERFORMANCE REQUIREMENTS SUMMARY**

All listings of services used in the Performance Requirements Summary (PRS) are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of Contractor beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and this PRS, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this

PRS which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no requirement on Contractor.

When the Contractor's performance does not conform with the requirements of this Contract, the County will have the option to apply the following non-performance remedies:

- Require Contractor to implement a formal corrective action plan, subject to approval by the County. In the plan, the Contractor must include reasons for the unacceptable performance, specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence.
- Reduce payment to Contractor by a computed amount based on the assessment fee(s) in the PRS.
- Reduce, suspend or cancel this Contract for systematic, deliberate misrepresentations or unacceptable levels of performance.
- Failure of the Contractor to comply with or satisfy the request(s) for improvement of performance or to perform the neglected work specified within ten (10) days shall constitute authorization for the County to have the service(s) performed by others. The entire cost of such work performed by others as a consequence of the Contractor's failure to perform said service(s), as determined by the County, shall be credited to the County on the Contractor's future invoice.

This section does not preclude the County's right to terminate the contract upon ten (10) days written notice with or without cause, as provided for in the Contract, Paragraph 8, Standard Terms and Conditions, Sub-paragraph 8.41, Termination for Convenience.

**STATEMENT OF WORK - APPENDIX B  
ATTACHMENT 1**

**SAMPLE FORMS**

<b>Attachment No.</b>	<b>Name</b>	<b>Media</b>	<b>Generated By</b>	<b>Frequency</b>
1.1	Contractor Monthly Complaint Report	Hard Copy	Contractor	Monthly
1.2	Referral Format	To be determined upon Contract Award	TTC/CARS Unit	Monthly
1.3	Acknowledgement of Referrals (Desk Change)	Secure FTP	Contractor	Monthly
1.4	Statement on Collection Commission	Secure FTP	Contractor	Monthly
1.5	Contractor Inventory	Secure FTP	Contractor	Monthly
1.6	Contractor Release	Secure FTP	Contractor	Monthly
1.7	Direct Payment Adjustment	Secure FTP	TTC/CARS Unit	Monthly
1.8	Adjustments to Increase/Decrease Account Balance	Secure FTP	TTC/CARS Unit	Monthly
1.9	Intentionally Omitted			
1.10	Contractor Transmittal Form	Hard Copy	TTC/CARS Unit	Monthly
1.11	Request to Recall	Secure FTP	TTC/Room109	Monthly
1.12	Monthly Recall Report	Secure FTP	TTC/CARS Unit	Monthly

## CONTRACTOR MONTHLY COMPLAINT REPORT

**Contractor Name:** \_\_\_\_\_

**Reporting Period:** \_\_\_\_\_

<u>Collector Name</u>	<u>Type of Allegation</u>	<u>No.</u>
-----------------------	---------------------------	------------

**Contractor Summary This Month**

\_\_\_\_\_  
**PRINT NAME**

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**DATE**

**Attachment 1.2**

**Referral Format**

**To be determined upon Contract Award**

**ACKNOWLEDGEMENT OF REFERRALS (DESK CHANGE)**

Date: 07/01/05

From: Contractor's Name  
Contractor's Address  
Contractor's Phone Number

To: L.A County Treasurer and Tax Collector  
Attn: Collection Accounting, CARS Unit  
222 Grand Ave #461  
Los Angeles, CA 90012

The following accounts have been assigned to this office for collection. Please refer the debtor to us upon inquiry.

<b>Count</b>	<b>Debtor Name</b>	<b>CARS Account Number</b>	<b>CARS Client Number</b>	<b>Amount</b>	<b>Last Active Date</b>	<b>Age</b>
1	Smith, Steve	xxxxxxx	14080	600.00	02-01-05	150
1	Hernandez, Maria	xxxxxxx	14084	500.00	03-01-05	90
<hr/>						
<b>2</b>	<b>Total</b>					<b>240</b>
<hr/>						
<b>Average Age</b>						<b>120</b>

## STATEMENT ON COLLECTION COMMISSION

Date: 07/01/05

From: Contractor's Name  
Contractor's Address  
Contractor's Phone NumberTo: L.A County Treasurer and Tax Collector  
Attn: Collection Accounting, CARS Unit  
222 Grand Ave #461  
Los Angeles, CA 90012

Count	Debtor Name	Contractor Account #	CARS Account #	CARS Client Number	Amount Due	Amount Paid	Commission Rate	Commission Due
1	Smith, Steve	2500	xxxxxxx	14080	1,200.00	600.00	32.50%	195.00
1	Hernandez, Maria	3558	xxxxxxx	14084	2,500.00	500.00	32.50%	162.50
<b>2</b>	<b>Total</b>					<b>1,100.00</b>		<b>357.50</b>

## CONTRACTOR INVENTORY AS OF 06/30/05

Date: 07/01/05

From: Contractor's Name  
Contractor's Address  
Contractor's Phone NumberTo: L.A County Treasurer and Tax Collector  
Attn: Collection Accounting, CARS Unit  
222 Grand Ave #461  
Los Angeles, CA 90012

Count	Debtor Name	Contractor Account #	CARS Account #	CARS Client Number	Principle Assigned	Total Collection	Remaining Balance
1	Garcia, Feliz	2500	xxxxxxx	14080	700.00	200.00	500.00
1	Cooper, David	3558	xxxxxxx	14084	250.00	250.00	0.00
<b>2</b>	<b>Total</b>				<b>950.00</b>	<b>450.00</b>	<b>500.00</b>

**CONTRACTOR RELEASE**

Date: 07/01/05

From: Contractor's Name  
 Contractor's Address  
 Contractor's Phone Number

To: L.A County Treasurer and Tax Collector  
 Attn: Collection Accounting, CARS Unit  
 222 Grand Ave #461  
 Los Angeles, CA 90012

We have closed the following accounts and hereby return them to you for the following reasons:

Status Code:

REL : Release , All Efforts Exhausted

REC: Account was recalled

SIF: Account was settled in Full

BKT: Debtor filed Bankruptcy

Count	Debtor Name	CARS Account Number	CARS Client Number	Amount	Reason Code	Status
1	Smith, Steve	xxxxxxx	14080	600.00	30	REL
1	Hernandez, Maria	xxxxxxx	14084	500.00	30	REL
<b>2</b>	<b>Total</b>				<b>0.00</b>	

Contractor Direct Payment Adjustments

June 2005

DEBTOR#..	DSK CLIENT#...	DNAME.....	T-C	TR	AMT....	TRANS	DT	FWD	DATE.	OCA	NUMBER	SOURCE...	PRIN	BAL...
F2	14084		35	129.00	06-17-05	06-14-05	20	554380						
F2	14084		435	50.00	06-02-05	05-17-05	20	012075					40.00	
F2	14084		35	90.00	06-13-05	06-14-05	20	554067						
F2	14084		35	50.00	06-21-05	06-14-05	20	554645					106.00	
F2	14084		35	250.00	06-16-05	06-14-05	20	554292						
F2	14084		35	77.00	06-13-05	06-14-05	20	554067						
F2	14084		35	93.00	06-24-05	06-14-05	20	585173					822.00	
F2	14084		35	100.00	06-14-05	06-14-05	20	554143						
F2	14084		35	165.00	06-13-05	06-14-05	20	552079						
F2	14084		35	15.00	06-21-05	06-14-05	20	554728					124.00	
F2	14084		35	30.00	05-31-05	05-17-05	20	548768					152.00	
F2	14084		435	121.00	06-21-05	06-14-05	20	012504						
F2	14080		435	100.00	06-20-05	05-17-05	20	012475					399.00	
F2	14080		35	50.00	06-08-05	05-17-05	20	551459					453.00	
F2	14080		35	25.00	06-06-05	05-17-05	20	551252					352.00	
F2	14080		35	25.00	06-13-05	05-17-05	20	552099					352.00	
F2	14080		35	30.00	06-07-05	05-17-05	20	551432					60.00	
F2	14084		435	157.00	06-27-05	06-14-05	20	012723						
F2	14084		35	50.00	06-27-05	06-14-05	20	586013					235.85	
F2	14084		35	101.00	06-15-05	06-14-05	20	551721					9.00	
F2	14084		35	40.00	06-15-05	06-14-05	20	551720					291.00	
F2	14084		35	84.56	06-29-05	06-14-05	20	586236						
F2	14084		35	25.00	06-28-05	06-14-05	20	586154					854.00	
F2	14084		35	50.00	06-21-05	06-14-05	20	554645					51.00	
F2	14084		435	25.00	06-24-05	06-14-05	20	012656					850.00	
F2	14084		35	20.00	06-24-05	06-14-05	20	585170					162.00	
F2	14084		35	25.00	06-15-05	06-14-05	20	551717					291.00	
F2	14084		35	25.00	06-15-05	06-14-05	20	551717					321.00	
F2	14084		35	50.00	06-29-05	06-14-05	20	586236					125.00	
F2	14084		35	246.00	06-15-05	06-14-05	20	554056					616.00	
F2	14084		35	50.00	06-15-05	06-14-05	20	551720						
F2	14084		435	332.00	06-28-05	06-14-05	20	012735						
F2	14084		35	30.00	06-13-05	06-14-05	20	554067					147.00	
F2	14084		35	92.00	06-14-05	06-14-05	20	554143						
F2	14084		435	72.00	06-27-05	06-14-05	20	012697						
F2	14084		35	150.00	06-21-05	06-14-05	20	828370					131.00	
F2	14084		35	161.00	06-27-05	06-14-05	20	585059					171.00	
F2	14084		35	80.00	06-20-05	06-14-05	20	554583					74.00	
F2	14084		35	20.00	06-28-05	06-14-05	20	586154					48.00	
F2	14084		35	40.00	06-20-05	06-14-05	20	554583					20.00	
				9419.56			***						15963.85	
				9739.56									17506.85	



**Intentionally Omitted**

**CONTRACTOR TRANSMITTAL FORM**

TO: AGENCY: \_\_\_\_\_

FROM: TRANSMITTAL NO: \_\_\_\_\_

RECEIVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

TYPE OF TRANSMITTAL: \_\_\_\_\_

\_\_\_\_\_

NO. OF REFERRALS: COLLECT # \_\_\_\_\_

AMOUNT OF REFERRALS: COLLECT AMT. \_\_\_\_\_

COMMENTS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**REQUEST TO RECALL**

ACCOUNT NO. \_\_\_\_\_ NAME \_\_\_\_\_

BALANCE \_\_\_\_\_

CURRENT PRINTOUT MUST BE ATTACHED.

RECALL FOR THE FOLLOWING REASON:

- SIGNED R/A IN FILE DATED PRIOR TO REFERRAL. COPY ATTACHED.
- LIEN IN FILE (NO DOCUMENTS OR OPS.CHIEF APPROVAL NECESSARY)
- ACCIDENT ACCOUNT (NO DOCUMENTS OR OPS. CHIEF APPROVAL NECESSARY)
- ACCOUNT IN LITIGATION (NO DOCUMENTS OR OPS. CHIEF ARRPOVAL NECESSARY)

\_\_\_\_\_  
 \_\_\_\_\_

CHANGE STATEMENT CODE TO \_\_\_\_\_

TERMS \_\_\_\_\_

COLLECTOR

	NAME	DIVISION	EXT.	DATE
--	------	----------	------	------

APPROVED BY: \_\_\_\_\_

OPERATIONS CHIEF	DATE
------------------	------

APPROVED BY: \_\_\_\_\_

OCA COUNTY CONTRACT MANAGER	DATE
-----------------------------	------

TO BE COMPLETED BY OCA UNIT.

AGENCY \_\_\_\_\_ DATE SIGNED \_\_\_\_\_

COPY SENT TO AGENCY \_\_\_\_\_ DATE \_\_\_\_\_ COLLECTOR \_\_\_\_\_ DATE \_\_\_\_\_

AARS UPDATED \_\_\_\_\_ DATE \_\_\_\_\_ PROCESSED BY \_\_\_\_\_

MONTHLY RECALL REPORT

Date: 07/01/05  
 From: L.A County Treasurer and Tax Collector  
 Attn: Collection Accounting, CARS Unit  
 222 Grand Ave #461  
 Los Angeles, CA 90012  
 To: Contractor's Name  
 Contractor's Address  
 Contractor's Phone Number  
 Subject: RECALLS - MONTH OF JUNE 2005

The following accounts were recalled in the month stated above and should be returned to Treasurer and Tax Collector on the next return tape.

Count	Debtor Name	CARS Account #	CARS Client Number	BALANCE	RECALL DATE	RECALL REASONS
1	HAFEEZ, SARWAT	10803275	14080	2,760.00	06-03-05	DPSS REQUEST PENDING STATE HEARING., GOLD REFERRED TO C. HERNANDEZ
1	GRIST, NANCY	10464220	14084	3,907.60	06-17-05	TAX INTERCEPT
				<b>6,667.60</b>		

## COMMISSION RATE

Commission Rate: 25%

## TECHNICAL EXHIBITS

**EXHIBIT C  
TECHNICAL EXHIBITS  
TABLE OF CONTENTS**

<u>Exhibits</u>	<u>Page</u>
1 CONTRACT DISCREPANCY REPORT .....	1
2 PERFORMANCE REQUIREMENTS SUMMARY CHART .....	2

**TECHNICAL EXHIBIT 1  
CONTRACT DISCREPANCY REPORT**

**TO:**

**FROM:**

**DATES:**      **Prepared:** \_\_\_\_\_

**Returned by Contractor:** \_\_\_\_\_

**Action Completed:** \_\_\_\_\_

**DISCREPANCY PROBLEMS:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature of County Representative

\_\_\_\_\_  
Date

**CONTRACTOR RESPONSE (Cause and Corrective Action):** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature of Contractor Representative

\_\_\_\_\_  
Date

**COUNTY EVALUATION OF CONTRACTOR RESPONSE:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature of County Representative

\_\_\_\_\_  
Date

**COUNTY ACTIONS:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**CONTRACTOR NOTIFIED OF ACTION:**  
County Representative's Signature and Date \_\_\_\_\_

Contractor Representative's Signature and Date \_\_\_\_\_

**TECHNICAL EXHIBIT 2**

**DELINQUENT ACCOUNT COLLECTION SERVICES**

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

<b>SPECIFIC PERFORMANCE REFERENCE</b>	<b>SERVICE</b>	<b>MONITORING METHOD</b>	<b>DEDUCTIONS/FEEES TO BE ASSESSED</b>
SOW: Sub-paragraph 7.0, Maintain written Quality Control Plan	Quality Control Plan maintained and provided as required	Receipt and review of plan	<ul style="list-style-type: none"> <li>• \$50 per each day late.</li> <li>• \$100 if Plan is incomplete.</li> </ul>
SOW: Sub-paragraph 8.0, Process debtor complaints	Complaints are received, logged, provided to TTC, investigated and reports submitted as required	On site audits; Analyze management reports (e.g. report log-ins); Review debtor complaints	<ul style="list-style-type: none"> <li>• \$100 per day when timeframe is not adhered to.</li> <li>• \$200 for each complaint not reported to TTC.</li> </ul>
SOW: Sub-paragraph 5.10, Accept payments on assigned accounts.	Accept payments as specified and process payments on assigned accounts timely and as required	Analyze reports, on site audits, debtor complaints	<ul style="list-style-type: none"> <li>• \$100 per individual payment accepted on an account not assigned.</li> </ul>
SOW: Sub-paragraph 5.15, Report uncollectible accounts and cases in which collection efforts would result in undue hardship on the debtor.	Report accounts to TTC as required and in a timely manner	Debtor complaints, review accounts during on-site audits	<ul style="list-style-type: none"> <li>• \$100 per day per account not reported.</li> </ul>
SOW: Sub-paragraph 5.7, Adjustment to Contractor Records	Adjustments are posted accurately and per schedule	Debtor complaints, management reports, review accounts during on-site audits	<ul style="list-style-type: none"> <li>• \$100 per each incomplete/ inaccurate account adjustment posting.</li> <li>• \$100 per each day posting is late.</li> </ul>
SOW: Sub-paragraph 5.8 & 5.14, Return recalled accounts and accounts where debtor is deceased, where there is a third party Tort-Feasor lien, or where debt is secured by a mortgage/deed of trust	Return accounts to TTC timely and as required. Stop debtor locate or collection activities	Analyze reports and logs	<ul style="list-style-type: none"> <li>• \$150 each day account is not returned.</li> <li>• \$200 per account, if Contractor continues collection activities.</li> </ul>

**TECHNICAL EXHIBIT 2**

**DELINQUENT ACCOUNT COLLECTION SERVICES**

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

<b>SPECIFIC PERFORMANCE REFERENCE</b>	<b>SERVICE</b>	<b>MONITORING METHOD</b>	<b>DEDUCTIONS/FEEES TO BE ASSESSED</b>
SOW: Sub-paragraph 5.9, Notify TTC of debtor disputes	Stop locate or collection activities immediately. Notify appropriate party within 3 working days after debtor disputes the amount.	Debtor complaints, on-site audits	<ul style="list-style-type: none"> <li>• \$100 per day when timeframe is not adhered to.</li> </ul>
SOW: Sub-paragraph 5.16, Account Compromises	Obtain and maintain documentation supporting compromise per procedures	Review of accounts during on-site audits	<ul style="list-style-type: none"> <li>• \$500 per unauthorized compromise incident.</li> <li>• \$250 if file documentation does not support compromise.</li> </ul>
SOW: Sub-paragraph 5.19, Issue Paid In Full letters	Issue appropriate letters only as required	Debtor complaints	<ul style="list-style-type: none"> <li>• \$150 per incident.</li> </ul>
SOW Sub-paragraph 5.21, Process refunds	Process refunds timely and as required	Debtor complaints, review reports	<ul style="list-style-type: none"> <li>• \$150 per day late.</li> <li>• \$250 per incident.</li> </ul>
SOW: Sub-paragraph 5.22, Remit Payments	TTC appropriately and timely notified of remittances; payments remitted to TTC timely and accurately.	Review of reports	<ul style="list-style-type: none"> <li>• \$75 per day required telephone notification is late. \$1000 per incident of late remittance PLUS \$75 per day remittance is late.</li> <li>• \$150 per incomplete/inaccurate remittance.</li> </ul>
SOW: Sub-paragraph 5.23, No Credit Reporting	Debtors not reported to credit reporting services	Debtor complaints	<ul style="list-style-type: none"> <li>• \$150 per incident of debtor reported to credit reporting services.</li> </ul>
SOW: Sub-paragraph 5.6, Provide required data via the Automated System	Provide TTC with required reports	Review of reports	<ul style="list-style-type: none"> <li>• \$100 per incomplete/inaccurate report.</li> <li>• \$100 per report per each day late.</li> </ul>

**TECHNICAL EXHIBIT 2**

**DELINQUENT ACCOUNT COLLECTION SERVICES**

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

<b>SPECIFIC PERFORMANCE REFERENCE</b>	<b>SERVICE</b>	<b>MONITORING METHOD</b>	<b>DEDUCTIONS/FEEES TO BE ASSESSED</b>
SOW: Sub-paragraph 6.0, Maintain minimum internal controls	Maintain minimum internal controls as required	Inspection during on-site audits	<ul style="list-style-type: none"> <li>• \$250 per individual noncompliance incident.</li> </ul>
SOW: Sub-paragraph 5.28, Return of accounts and files upon termination of Contract	Stop locate or collection activities immediately. Return accounts to TTC promptly; all funds received to be forwarded to TTC as required	Review of accounts and reports	<ul style="list-style-type: none"> <li>• \$100 per account per each day not returned.</li> <li>• \$100 per day funds are late to TTC.</li> </ul>
SOW: Sub-paragraph 9.1, Mandatory Monthly Meetings	Contractor's representative to attend scheduled meetings.	Attendance	\$500 per occurrence.
SOW: Paragraph 7.0, Quality Control	A written Quality Control Plan must be maintained and provided as required.	Receipt and review of Plan	\$50 per each day late. \$100 if Plan is incomplete.
SOW: Paragraph 6.0, Internal Control Plan – Upon Contract Award	A written Internal Control Plan must be maintained and provided as required.	Receipt and review of Plan	\$50 per each day late. \$100 if Plan is incomplete.
Contract: Paragraph 7.0 - Administration of Contract- Contractor	Contractor shall notify the County in writing of any change in name or address of the Project Manager.	Inspection & Observation	\$50 per occurrence.
Contract: Paragraph 7.0, Subparagraph 7.1, Contract Manager	Notify TTC of changes, with resume, within 5 business days.	Complaints	\$50 per day that notification is late.
Contract: Paragraph 7.3, Background and Security Investigation	Employee Background Checks	Complaints, spot checks of assigned personnel.	\$500 per incident of noncompliance.

TECHNICAL EXHIBIT 2

**DELINQUENT ACCOUNT COLLECTION SERVICES**

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
SOW: Sub-paragraph 7.4, Confidentiality	Employee Acknowledgement and Confidentiality Agreement signed and provided to TTC within 3 working days.	Review of reports; complaints	<ul style="list-style-type: none"> <li>• \$100 per day per employee when form not signed.</li> <li>• \$1,000 per unauthorized release of information.</li> </ul>
Contract: Paragraphs 8.23 and 8.24, Insurance	Maintain required insurance policies.	Receipt and review of insurance information.	\$100 per day late; Contract termination at TTC's option.
Contract: Sub-paragraph 8.37 - Record Retention & Inspection/Audit Settlement	Contractor to maintain all required documents as specified in Sub-paragraph 8.37.	Inspection of files	\$50 per occurrence; \$500 per occurrence if not recovered within 48 hours.
Contract: Sub-paragraph 8.37 - Record Retention & Inspection/Audit Settlement, Subparagraph 8.37.4.	Provide required financial statements according to schedule.	Review of reports	\$50 per each day that report is late.
Contract: Sub-paragraph 8.39 - Subcontracting	Contractor shall obtain County's written approval prior to subcontracting any work.	Inspection & Observation	\$500 per occurrence; possible termination for default of contract.

## CONTRACTOR'S EEO CERTIFICATION

Linebarger Goggan Blair & Sampson, LLP

Contractor Name

1949 South I. H. 35, Austin, TX 78741

Address

74-2864602

Internal Revenue Service Employer Identification Number

### GENERAL CERTIFICATION

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

### CONTRACTOR'S SPECIFIC CERTIFICATIONS

- |  |   |                             |
|--|---|-----------------------------|
| 1. The Contractor has a written policy statement prohibiting discrimination in all phases of employment.   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 2. The Contractor periodically conducts a self analysis or utilization analysis of its work force.   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 3. The Contractor has a system for determining if its employment practices are discriminatory against protected groups.  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 4. Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

Daisy Power - Director of Human Resources - California

Authorized Official's Printed Name and Title

\_\_\_\_\_  
Authorized Official's Signature

\_\_\_\_\_  
Date

## COUNTY'S ADMINISTRATION

CONTRACT NO. \_\_\_\_\_

### COUNTY CONTRACT ADMINISTRATOR:

Name: Donna Doss  
Title: Assistant Treasurer and Tax Collector  
Address: 500 West Temple Street, Room 100  
Los Angeles, California 90012  
Telephone: (213) 974-2077  
Facsimile: (213) 680-3633  
E-Mail Address: ddoss@co.la.ca.us

### COUNTY CONTRACT MANAGER:

Name: Marsha Wilson - Saracco  
Title: Assistant Operations Chief  
Address: 500 West Temple Street, Room 461  
Los Angeles, California 90012  
Telephone: (213) 893-7991  
Facsimile: (213) 687-1148  
E-Mail Address: msaracco@co.la.ca.us

### COUNTY CONTRACT MONITOR:

Name: Elke Shen  
Title: Accounting Officer II  
Address: 500 West Temple Street, Room 461  
Los Angeles, California 90012  
Telephone: (213) 974-9045  
Facsimile: (213) 687-1148  
E-Mail Address: eshen@co.la.ca.us

## CONTRACTOR'S ADMINISTRATION

### Linebarger Goggan Blair & Sampson, LLP

CONTRACTOR'S NAME

CONTRACT NO.

#### CONTRACTOR'S CONTRACT MANAGER:

Name: Daisy Power  
Title: Director of California Operations  
Address: 515 S. Flower Street, Suite 3500  
Los Angeles, CA 90071  
Telephone: (213) 614-9665  
Facsimile: (213) 624-6152  
E-Mail Address: daisyp@publicans.com

#### CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: David Farrar  
Title: Attorney – Of Counsel  
Address: 515 S. Flower Street, Suite 3500  
Los Angeles, CA 90071  
Telephone: (213) 247-3119  
Facsimile: (213) 624-6152  
E-Mail Address: dwfarrar@hotmail.com

Name: Gary Bennett  
Title: Partner  
Address: 515 S. Flower Street, Suite 3500  
Los Angeles, CA 90071  
Telephone: (213) 426-6200  
Facsimile: (213) 624-6152  
E-Mail Address: garyb@publicans.com

#### Notices to Contractor shall be sent to the following address:

Address: 515 S. Flower Street, Suite 3500  
Los Angeles, CA 90071  
Telephone: (213) 426-6200  
Facsimile: (213) 624-6152  
E-Mail Address: daisyp@publicans.com

## **FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION**

- G1 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY,  
AND COPYRIGHT ASSIGNMENT AGREEMENT
  
- G2 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT,  
CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT

**CONTRACT FOR  
DELINQUENT ACCOUNT COLLECTION SERVICES**

**CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY,  
AND COPYRIGHT ASSIGNMENT AGREEMENT**

*(any reference to Copyright Assignment would apply to  
Information Technology Contracts only)*

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

\_\_\_\_\_  
CONTRACTOR NAME

Contract No. \_\_\_\_\_

Employee Name \_\_\_\_\_

**GENERAL INFORMATION:**

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement.

**EMPLOYEE ACKNOWLEDGEMENT:**

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

**CONFIDENTIALITY AGREEMENT:**

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

Initials of Signer \_\_\_\_\_

Contractor Name \_\_\_\_\_ Contract No. \_\_\_\_\_

Employee Name \_\_\_\_\_

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

COPYRIGHT ASSIGNMENT AGREEMENT

I agree that all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training documentation and aids, and other information and/or tools of all types, developed or acquired by me in whole or in part pursuant to the above referenced contract, and all works based thereon, incorporated therein, or derived therefrom shall be the sole property of the County. In this connection, I hereby assign and transfer to the County in perpetuity for all purposes all my right, title, and interest in and to all such items, including, but not limited to, all unrestricted and exclusive copyrights, patent rights, trade secret rights, and all renewals and extensions thereof. Whenever requested by the County, I agree to promptly execute and deliver to County all papers, instruments, and other documents requested by the County, and to promptly perform all other acts requested by the County to carry out the terms of this agreement, including, but not limited to, executing an assignment and transfer of copyright in a form substantially similar to Exhibit M1, attached hereto and incorporated herein by reference.

The County shall have the right to register all copyrights in the name of the County of Los Angeles and shall have the right to assign, license, or otherwise transfer any and all of the County's right, title, and interest, including, but not limited to, copyrights, in and to the items described above.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

**CONTRACT FOR  
DELINQUENT ACCOUNT COLLECTION SERVICES**

**CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT,  
CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT**

*(any reference to Copyright Assignment would apply to  
Information Technology Contracts only)*

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

\_\_\_\_\_  
CONTRACTOR NAME

Contract No. \_\_\_\_\_

Non-Employee Name \_\_\_\_\_

**GENERAL INFORMATION:**

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement.

**NON-EMPLOYEE ACKNOWLEDGEMENT:**

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

**CONFIDENTIALITY AGREEMENT:**

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

Initials of Signer \_\_\_\_\_

Contractor Name \_\_\_\_\_ Contract No. \_\_\_\_\_

Non-Employee Name \_\_\_\_\_

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

COPYRIGHT ASSIGNMENT AGREEMENT

I agree that all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training documentation and aids, and other information and/or tools of all types, developed or acquired by me in whole or in part pursuant to the above referenced contract, and all works based thereon, incorporated therein, or derived therefrom shall be the sole property of the County. In this connection, I hereby assign and transfer to the County in perpetuity for all purposes all my right, title, and interest in and to all such items, including, but not limited to, all unrestricted and exclusive copyrights, patent rights, trade secret rights, and all renewals and extensions thereof. Whenever requested by the County, I agree to promptly execute and deliver to County all papers, instruments, and other documents requested by the County and to promptly perform all other acts requested by the County to carry out the terms of this agreement, including, but not limited to, executing an assignment and transfer of copyright in a form substantially similar to Exhibit M1, attached hereto and incorporated herein by reference.

The County shall have the right to register all copyrights in the name of the County of Los Angeles and shall have the right to assign, license, or otherwise transfer any and all of the County's right, title, and interest, including, but not limited to, copyrights, in and to the items described above.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

**2.203.010 Findings.**

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies.

**2.203.020 Definitions.**

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
  - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
  - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
  - 3. A purchase made through a state or federal contract; or
  - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-3700 or a successor provision; or
  - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.4.0 or a successor provision; or

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

6. A purchase card pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision; or
  7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
  8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if the lesser number is a recognized industry standard as determined by the chief administrative officer or the contractor has a long-standing practice that defines a full-time schedule as less than 40 hours per week.

**2.203.030 Applicability.**

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable.

**2.203.040 Contractor Jury Service Policy.**

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service.

**2.203.050 Other Provisions.**

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract.

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

**2.203.060 Enforcement and Remedies.**

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor.

**2.203.070. Exceptions.**

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
  1. Has ten or fewer employees during the contract period; and,
  2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
  3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

"Dominant in its field of operation" means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

**2.203.090. Severability.**

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

# SAFELY SURRENDERED BABY LAW

# No shame. No blame. No names.

Newborns can be safely given up  
at any Los Angeles County  
hospital emergency room or fire station.



In Los Angeles County:  
**1-877-BABY SAFE**  
**1-877-222-9723**  
[www.babysafela.org](http://www.babysafela.org)



**State of California**  
Gray Davis, Governor

**Health and Human Services Agency**  
Grantland Johnson, Secretary

**Department of Social Services**  
Rita Saenz, Director



**Los Angeles County Board of Supervisors**  
Gloria Molina, Supervisor, First District  
Yvonne Brathwaite Burke, Supervisor, Second District  
Zev Yaroslavsky, Supervisor, Third District  
Don Knabe, Supervisor, Fourth District  
Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

### What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

### How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

### What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

### Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

### Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

### Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

### What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

### What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

### Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

### A baby's story

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

---

---

**Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.**

---

---

***It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.***

# **Sin pena. Sin culpa. Sin peligro.**

**Los recién nacidos pueden ser entregados  
en forma segura en la sala de emergencia de  
cualquier hospital o en un cuartel de bomberos  
del Condado de Los Angeles.**



**En el Condado de Los Angeles:**

**1-877-BABY SAFE**

**1-877-222-9723**

**[www.babysafela.org](http://www.babysafela.org)**



**Estado de California**  
Gray Davis, Gobernador

**Agencia de Salud y Servicios Humanos**  
(Health and Human Services Agency)  
Grantland Johnson, Secretario

**Departamento de Servicios Sociales**  
(Department of Social Services)  
Rita Saenz, Directora



**Consejo de Supervisores del Condado de Los Angeles**

Gloria Molina, Supervisora, Primer Distrito

Yvonne Brathwaite Burke, Supervisora, Segundo Distrito

Zev Yaroslavsky, Supervisor, Tercer Distrito

Don Knabe, Supervisor, Cuarto Distrito

Michael D. Antonovich, Supervisor, Quinto Distrito

Esta Iniciativa tambien esta apollada por First 5 LA y INFO LINE de Los Angeles.

### ¿Qué es la Ley de Entrega de Bebés Sin Peligro?

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

### ¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre recibirá un brazaletes igual.

### ¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden empezar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

### ¿Sólo los padres podrán llevar al recién nacido?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

### ¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

### ¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

### ¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

### ¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

### ¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

### Historia de un bebé

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

---



---

**Cada recién nacido merece una  
oportunidad de tener una vida saludable.  
Si alguien que usted conoce está pensando  
en abandonar a un recién nacido, infórmele  
qué otras opciones tiene.**

---



---

*Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.*

**FORMS REQUIRED AT COMPLETION OF THE CONTRACTS INVOLVING  
INTELLECTUAL PROPERTY DEVELOPED/ DESIGNED BY CONTRACTOR. THE  
INTELLECTUAL PROPERTY DEVELOPED/ DESIGNED BECOMES PROPERTY OF  
THE COUNTY AFTER CREATION OR AT THE END OF THE CONTRACT TERM.**

M1 INDIVIDUAL'S ASSIGNMENT AND TRANSFER OF COPYRIGHT

M2 CONTRACTOR'S ASSIGNMENT AND TRANSFER OF COPYRIGHT

M3 NOTARY STATEMENT FOR ASSIGNMENT AND TRANSFER OF  
COPYRIGHT

*(REQUIRED ONLY IF COPYRIGHT IS TO BE REGISTERED WITH  
COPYRIGHT BUREAU)*

INDIVIDUAL'S ASSIGNMENT AND TRANSFER OF COPYRIGHT

For good and valuable consideration, receipt of which is hereby acknowledged, the undersigned, \_\_\_\_\_, an individual ("Grantor"), does hereby assign, grant, convey and transfer to the County of Los Angeles, California ("Grantee") and its successors and assigns throughout the world in perpetuity, all of Grantor's right, title and interest of every kind and nature in and to all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training documentation and aids, and other information and/or tools of all types (including, without limitation, those items listed on Schedule A, attached hereto and incorporated herein by reference) developed or acquired, in whole or in part, under the Agreement described below, including, but not limited to, all right, title and interest in and to all copyrights and works protectable by copyright and all renewals and extensions thereof (collectively, the "Works"), and in and to all copyrights and right, title and interest of every kind or nature, without limitation, in and to all works based thereon, incorporated in, derived from, incorporating, or related to, the Works or from which the Works are derived.

Without limiting the generality of the foregoing, the aforesaid conveyance and assignment shall include, but is not limited to, all prior choses-in-action, at law, in equity and otherwise, the right to recover all damages and other sums, and the right to other relief allowed or awarded at law, in equity, by statute or otherwise.

\_\_\_\_\_ and Grantee have entered into County of Los Angeles Agreement Number \_\_\_\_\_ for \_\_\_\_\_, dated \_\_\_\_\_, as amended by Amendment Number \_\_\_\_\_, dated \_\_\_\_\_,

{NOTE to Preparer: reference all existing Amendments} as the same hereafter may be amended or otherwise modified from time to time (the "Agreement").

\_\_\_\_\_  
Grantor's Signature

\_\_\_\_\_  
Date

Grantor's Printed Name: \_\_\_\_\_

Grantor's Printed Position: \_\_\_\_\_

CONTRACTOR'S ASSIGNMENT AND TRANSFER OF COPYRIGHT

For good and valuable consideration, receipt of which is hereby acknowledged, the undersigned, \_\_\_\_\_, a \_\_\_\_\_, ("Grantor") does hereby assign, grant, convey and transfer to the County of Los Angeles, California ("Grantee") and its successors and assigns throughout the world in perpetuity, all of Grantor's right, title and interest of every kind and nature in and to all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training aids, training documentation and aids, and other information and/or tools of all types (including, without limitation, those items listed on Schedule A, attached hereto and incorporated herein by reference) developed or acquired, in whole or in part, under the Agreement described below, including, but not limited to, all right, title and interest in and to all copyrights and works protectable by copyright and all renewals and extensions thereof (collectively, the "Works"), and in and to all copyrights and right, title and interest of every kind or nature, without limitation, in and to all works based thereon, incorporated in, derived from, incorporating or relating to, the Works or from which the Works are derived.

Without limiting the generality of the foregoing, the aforesaid conveyance and assignment shall include, but is not limited to, all prior choices-in-action, at law, in equity and otherwise, the right to recover all damages and other sums, and the right to other relief allowed or awarded at law, in equity, by statute or otherwise.

Grantor and Grantee have entered into County of Los Angeles Agreement Number \_\_\_\_\_

for \_\_\_\_\_,

dated \_\_\_\_\_, as amended by Amendment Number \_\_\_\_\_, dated \_\_\_\_\_,

*{NOTE to Preparer: reference all existing Amendments}* as the same hereafter may be amended or otherwise modified from time to time (the "Agreement").

\_\_\_\_\_  
Grantor's Signature

\_\_\_\_\_  
Date

Grantor's Printed Name: \_\_\_\_\_

Grantor's Printed Position: \_\_\_\_\_

(To Be Completed By County and attached to M1 and/or M2)

**REQUIRED ONLY IF COPYRIGHT IS TO BE REGISTERED WITH  
COPYRIGHT BUREAU**

STATE OF CALIFORNIA )  
                                  ) ss.  
COUNTY OF LOS ANGELES )

On \_\_\_\_\_, 200\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of California, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the \_\_\_\_\_ of \_\_\_\_\_, the corporation that executed the within Assignment and Transfer of Copyright, and further acknowledged to me that such corporation executed the within Assignment and Transfer of Copyright pursuant to its bylaws or a resolution of its Board of Directors.

WITNESS my hand and official seal.

\_\_\_\_\_  
NOTARY PUBLIC

## AGREEMENT CONTRACTOR'S OBLIGATIONS UNDER HIPAA

Under this Agreement, Contractor provides services to County and Contractor receives, has access to, and/or creates Protected Health Information, as defined below, in order to provide those services. County is subject to the Administrative Simplification requirements of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) and regulations promulgated under HIPAA, including the "Standards for Privacy of Individually Identifiable Health Information" which are located in Title 45 of the Code of Federal Regulations, Parts 160 and 164 ("Privacy Regulations"). The Privacy Regulations mandate certain protections for the privacy and security of Protected Health Information. The Privacy Regulations also require County to enter into an agreement with Contractor in order to obtain satisfactory assurance from Contractor that Contractor will appropriately safeguard the Protected Health Information. Disclosure to or use of Protected Health Information by Contractor is prohibited if such an agreement is not in place. Therefore, the parties agree to the terms of this Exhibit N.

### 1.0 DEFINITIONS

- 1.1 "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Contractor's internal operations, or to other than its employees.
- 1.2 "Individual" means the person who is the subject of Protected Health Information, and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).
- 1.3 "Protected Health Information" has the same meaning as the term "protected health information" in 45 C.F.R. § 164.501, limited to the information created or received by Contractor from or on behalf of County. Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is received by Contractor from or on behalf of County, or is created by Contractor, or is made accessible to Contractor by County.
- 1.4 "Required By Law" means a mandate contained in law that compels an entity to make a Use or Disclosure of Protected Health Information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or any administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the

production of information, including statutes or regulations that require such information if payment is sought under a government program providing benefits.

- 1.5 “Services” has the same meaning as in this Agreement.
- 1.6 “Use” or “Uses” mean, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Contractor’s internal operations.
- 1.7 Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the Privacy Regulations.

## **2.0 OBLIGATIONS OF CONTRACTOR**

- 2.1 Permitted Uses and Disclosures of Protected Health Information. Contractor:
- (a) shall Use and Disclose Protected Health Information as necessary to perform the Services, and as provided in Sub-sections 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 of this Exhibit N;
  - (b) shall Disclose Protected Health Information to County upon request;
  - (c) may, as necessary for the proper management and administration of its business or to carry out its legal responsibilities:
    - (i) Use Protected Health Information; and
    - (ii) Disclose Protected Health Information if the Disclosure is Required by Law.

Contractor shall not Use or Disclose Protected Health Information for any other purpose.

- 2.2 Adequate Safeguards for Protected Health Information. Contractor warrants that it shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information in any manner other than as permitted by this Agreement. Contractor agrees to limit the Use and Disclosure of Protected Health Information to the minimum necessary in accordance with the Privacy Regulation’s minimum necessary standard.
- 2.3 Reporting Non-Permitted Use or Disclosure. Contractor shall report to County each Use or Disclosure that is made by Contractor, its employees, representatives, agents or subcontractors, but is not specifically permitted by this Agreement. The initial report shall be made by telephone call to the appropriate Department, within forty-eight (48) hours from the time the Contractor first becomes aware of the non-permitted Use or Disclosure, as follows:

Chief Information Office Privacy Officer  
213-974-2166

The initial telephone report shall be followed by a full written report no later than ten (10) business days from the date the Contractor becomes aware of the non-permitted Use or Disclosure, and shall be sent to County's Chief Information Privacy Officer at:

Chief Information Privacy Officer  
Kenneth Hahn Hall of Administration  
500 West Temple Street  
Suite 493  
Los Angeles, CA 90012

- 2.4 Mitigation of Harmful Effect. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a Use or Disclosure of Protected Health Information by Contractor in violation of the requirements of this Agreement.
- 2.5. Availability of Internal Practices, Books and Records to Government Agencies. Contractor agrees to make its internal practices, books and records relating to the Use and Disclosure of Protected Health Information available to the Secretary of the federal Department of Health and Human Services for purposes of determining County's compliance with the Privacy Regulations. Contractor shall immediately notify County of any requests made by the Secretary and provide County with copies of any documents produced in response to such request.
- 2.6 Access to Protected Health Information. Contractor shall, to the extent County determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make the Protected Health Information specified by County available to the Individual(s) identified by County as being entitled to access and copy that Protected Health Information. Contractor shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from County. Contractor shall provide copies of that Protected Health Information within five (5) business days after receipt of request from County.
- 2.7 Amendment of Protected Health Information. Contractor shall, to the extent County determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make any amendments to Protected Health Information that are requested by County. Contractor shall make such amendment within ten (10) business days after receipt of request from County in order for County to meet the requirements under 45 C.F.R. § 164.526.
- 2.8 Accounting of Disclosures. Upon County's request, Contractor shall provide to County an accounting of each Disclosure of Protected Health Information made

by Contractor or its employees, agents, representatives or subcontractors. However, Contractor is not required to provide an accounting of Disclosures that are necessary to perform the Services if such Disclosures are for either payment or health care operations purposes, or both.

Any accounting provided by Contractor under this Sub-section 2.8 shall include: (a) the date of the Disclosure; (b) the name, and address if known, of the entity or person who received the Protected Health Information; (c) a brief description of the Protected Health Information disclosed; and (d) a brief statement of the purpose of the Disclosure. For each Disclosure that could require an accounting under this Sub-section 2.8, Contractor shall document the information specified in (a) through (d), above, and shall securely maintain the information for six (6) years from the date of the Disclosure. Contractor shall provide to County, within ten (10) business days after receipt of request from County, information collected in accordance with this Sub-section 2.8 to permit County to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

### **3.0 OBLIGATION OF COUNTY**

- 3.1 Obligation of County. County shall notify Contractor of any current or future restrictions or limitations on the use of Protected Health Information that would affect Contractor's performance of the Services, and Contractor shall thereafter restrict or limit its own uses and disclosures accordingly.

### **4.0 TERM AND TERMINATION**

- 4.1 Term. Contractor's obligations under Sub-sections 2.1 (as modified by Sub-section 4.2), 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 shall survive the termination or expiration of this Agreement.
- 4.2 Termination for Cause. In addition to and notwithstanding the termination provisions set forth in this Agreement, upon County's knowledge of a material breach by Contractor, County shall either:
- (a) Provide an opportunity for Contractor to cure the breach or end the violation, and terminate this Agreement if Contractor does not cure the breach or end the violation within the time specified by County; or
  - (b) Immediately terminate this Agreement if Contractor has breached a material term of this Agreement and cure is not possible; or
  - (c) If neither termination or cure are feasible, County shall report the violation to the Secretary of the federal Department of Health and Human Services.

#### 4.3 Disposition of Protected Health Information Upon Termination or Expiration

- (a) Except as provided in paragraph (b) of this section, upon termination for any reason or expiration of this Agreement, Contractor shall return or destroy all Protected Health Information received from County, or created or received by Contractor on behalf of County. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the Protected Health Information.
- (b) In the event that Contractor determines that returning or destroying the Protected Health Information is infeasible, Contractor shall provide to County notification of the conditions that make it infeasible. If return or destruction is infeasible, Contractor shall extend the protections of this Agreement to such Protected Health Information and limit further Uses and Disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Contractor maintains such Protected Health Information.

#### 5.0 **MISCELLANEOUS**

- 5.1 No Third Party Beneficiaries. Nothing in this Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- 5.2 Use of Subcontractors and Agents. Contractor shall require each of its agents and subcontractors receiving Protected Health Information from Contractor, or creating Protected Health Information for Contractor, on behalf of County, to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Exhibit N.
- 5.3 Relationship to Agreement Provisions. In the event that a provision of this Exhibit N is contrary to any other provision of this Agreement, the provision of this Exhibit N shall control.
- 5.4 Regulatory References. A reference in this Agreement to a section in the Privacy Regulations means the section as in effect or as amended.
- 5.5 Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits County to comply with the Privacy Regulations.
- 5.6 Amendment. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for County to comply with the requirements of the Privacy Regulations.